HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

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HOUSE OF COMMONS

Tuesday, November 22, 1994

The House met at 10 a.m.

Prayers

[*English*]

POINTS OF ORDER

OFFICIAL OPPOSITION

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Madam Speaker, I know one does not normally comment on the presence or absence of someone in the House, but we have just convened Parliament without any presence of the official opposition. I am not referring to a member. This may have happened before but I wonder if it is appropriate.

The Acting Speaker (Mrs. Maheu): I am sure the hon. member recalls that we do not refer to the presence or the absence of anyone in the House.

Mr. Lee: Madam Speaker, if I might on the point of order, I want to state clearly that I am not referring to the presence or absence of a member. I am referring to the apparent complete absence of the official opposition from the proceedings of the House today.

The Acting Speaker (Mrs. Maheu): Any 20 members compose a quorum in the House and we have that. I would like to proceed with tabling of documents.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

[*English*]

PETITIONS

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Madam Speaker, pursuant to Standing Order 36, I have the honour this morning of presenting petitions on behalf of my constituents for the right of grandparents to gain access to their grandchildren through an amendment to the Divorce Act.

GUN CONTROL

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, pursuant to Standing Order 36, constituents of my riding of Okanagan—Similkameen—Merritt are adding to the growing number of people who are concerned about the intrusion of government into the rights of ordinary, law–abiding citizens.

This intrusion is in the form of adding to the already stringent gun control legislation in Canada. Canadians are clearly saying that we have a crime problem, not a gun problem.

The petitioners are calling on Parliament to oppose further legislation for firearms acquisition and possession, and to provide strict guidelines and mandatory sentencing for the use or possession of a firearm in the commission of a violent crime.

I agree with and support the petitioners and urge the government to reconsider its position.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I would ask, Madam Speaker, that all questions be allowed to stand.

Mr. Scott (Skeena): Madam Speaker, I rise on a point of order.

On May 3 of this year I put Question No. 47 on the Order Paper. It asked for information relating to the travel and entertainment expenses of deputy ministers in the years 1991, 1992 and 1993. A part of the question was tabled sometime last week by the Parliamentary Secretary to the Government House Leader. Since an Order for Return was issued, I am asking when we can expect to have the report for 1991 and 1992?

• (1010)

Mr. Milliken: Madam Speaker, I know the hon. member is apparently dissatisfied with the very lengthy response he received to his important question.

It was tabled as an Order for Return of the House and it applied only to the third year of the three for which he asked. Naturally the government is anxious to provide all the information it can to the hon. member. I express my concern that the answer was apparently incomplete when we received only the one year.

I was informed that the cost of rooting out the other years is very substantial and that unless the hon. member is quite insistent on getting the answer that it would not be forthcoming because it would cost so much to get it.

Might I suggest that if the hon. member is serious in wanting this additional information, I have no objection to getting it for him at some cost. I am quite prepared to request that it be provided.

I would suggest that since the question has been made an Order for Return and the return has been tabled, it would be appropriate for him to put the question on the Order Paper again, at least in relation to the two years for which he has not received an adequate response. I would then instruct officials to get the necessary information to the hon. member.

The Acting Speaker (Mrs. Maheu): Is this on the same point of order? This is not debate.

Mr. Scott (Skeena): Madam Speaker, yes it is. It is not on debate.

I appreciate there may be some cost associated with the government tabling the information in the House. However it is important for the Canadian people and for accountability that we do see the information. I would ask the government to pursue the information with the appropriate officials in the government.

The Acting Speaker (Mrs. Maheu): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—MEMBERS OF PARLIAMENT RETIREMENT ALLOWANCE

Miss Deborah Grey (Beaver River, Ref.) moved:

That this House urge the government to replace the current members of Parliament retirement allowance plan with a pension plan that reflects the current norms for private sector pensions, with a maximum contribution in accordance with the Income Tax Act.

She said: Madam Speaker, I am very pleased that we finally get a chance to debate this matter in the House. Yesterday trough day arrived and we see the important need for changes to the members of Parliament pension plan.

It is unfortunate that the government did not live up to its red book promise and make the changes before trough day yesterday. That certainly would have sent the signal loudly and clearly to the Canadian public.

The Members of Parliament Retiring Allowances Act is a very modest statute introduced in 1952. In the last dozen years or so it has become really divisive. It is destructive. It is an unfair and detested piece of legislation in the eyes of most Canadians.

I draw the attention of the House to a report that was just brought in by a commission to review allowances of members of Parliament. This plan was started in 1952, which is interesting because that is the year I arrived on the scene as well. We might take notice that the prime minister of the day, Louis St. Laurent, said they wanted to make sure what was happening in those days in terms of the public service made it impossible for somebody who was serving as a member of Parliament to provide adequately for his later years.

I appreciate that pensions are good things. A pension scheme is not wrong at all. But this particular MP pension is a "scheme a dream" when you think about what has gone on in the last several years to make sure MPs look after themselves. We need to come up with a plan that is fair and is going to sell itself to the Canadian taxpayers who are funding the pension plan.

• (1015)

I do not consider myself nor do I consider my friends across the aisle, who have just qualified for trough day yesterday to get an MP pension, later years. March 13 is my date coming up, and I make full awareness to the people of that. I mentioned it in Question Period the other day. If the government does choose to put in MP pension reform I find it very strange that it would do it to its own members to make sure that they were in safe as of November 21. I have a feeling that it is going to make changes before March 13 so that I may be set up as the fall guy. I do not mind being set up as the fall guy if there are going to be substantive changes to the pension plan. We want to see that.

I am being assured by my friend across the aisle that they will look after that or they will look after me. Nothing makes me more nervous than having Liberals say that they are going to look after me. I will look forward to any remarks in the future from the member for Kingston and the Islands when he discusses this plan I am sure later.

I might also mention that my friend from Kingston and the Islands will qualify if he lives to age 75 and all goes well for him and he will stand to gain $1,061,976. That is not a bad pay out at all.

You can see that this is a rather touchy subject across the aisle, Madam Speaker, and you are on the list as well of benefiting.

Yesterday the class of '88 qualified for "Lotto for Life", reveals editorial comments across the country. We saw yesterday such descriptions as outrageous, gold plated, golden parachute, inflation proof, pension paradise and probably the most descriptive and graphic of all, hog heaven.

I know there are many members across the aisle right now who are just dreaming of the day when they qualify for hog heaven. They need to be re–elected one more time.

Is this divisive, is it destructive and is it detested? Yes to all of the above. This does more to divide parliamentarians and taxpayers who pay the bills for these parliamentarians probably than anything else. We see that this is a system in which members of Parliament are totally exempt from everyone else in the country. As my friends know, many of them have been in other professions before. They will know clearly that this pension plan is more, bigger, better, higher, everything else, overbloated, than any pension plan they could have ever bought into when they were working in the private sector. They know it, we know it and the people who pay our bills know it.

My friend across the aisle says that is not true. There is not a pension plan in this country that pays dividends of employer–employee ratios of approximately six to one. I would like to bet on that and I am looking forward to the members bringing that to our attention in debate as well as proof.

We are demanded in this country as parliamentarians to put in 11 per cent of our earnings. We have no options on that. We must put in 11 per cent of our salary toward the MP pension plan.

I am a member of the Alberta Teachers Association and we put in $92 a month to our pension plan. That was in the regular private sector. I am forced by the Members of Parliament Retiring Allowances Act to put in just under $600 a month out of my salary. Somehow that means that we are putting in a lot but the government kicks back far more than it puts in. For instance in Canada we are demanded, as I just said, to put in 11 per cent of our earnings. It is mandatory, there are no options about that. We qualify then for a minimum pension after six years of service. Madam Speaker, you know that, I know that and the Canadian taxpayers who pay the bills know that. As of age 60 it is fully indexed to the cost of living allowance—very expensive.

Let us look at the United Kingdom. Its members put in a 6 per cent contribution level and are eligible after age 55 or age 60 plus years of service equalling 80. That looks very fair. Most of them are full time. I suspect anyone in public life serves full time regardless of the number of hours they put in a week.

Let us look at the United States. People who serve in Congress in the United States have to put in a 1.3 per cent contribution level. They qualify at minimum age and serve age 62 or age 50 plus 20 years of service. This looks like something that is a little fairer, a little more level than the pension plan that we have now.

• (1020)

I suspect from the amount of noise across the aisle perhaps we have touched a raw nerve here. That is fine. Touch nerves we will.

The plan that the premier of Alberta has just brought in has in effect blitzed members of the legislative assemblies. My friend across asked me to talk about double dipping. We are against double dipping. When you are in one level of government, you may not collect a pension for another level of government.

We are asking this government to make sure that it follows its red book promises. I suspect these will turn out to be red face book promises very soon.

The members of Parliament retiring allowances plan simply must be replaced. There are two aspects to this, the first is the retiring allowances act which lets members contribute up to 2 per cent years of service on earnings on the limit up to 75 per cent. This first account under the whole retirement allowance plan qualifies as a registered retirement allowance plan under the Income Tax Act. That is fine, nobody has any problems with that, I suspect even new MPs in the House.

If the MP pension plan were restricted to this first account, the taxpayer would not complain because our plan would then conform to normal public service plans. The problem is the second part of this, the retiring compensation arrangement account, the RCA. I am reminded of the old ad, they really are now RCA victors as of yesterday. That is the account that leads one to question the judgment and fiscal integrity of those who put it in place and subsequently defended it.

This account draws contributions from members in the government that exceed the 6 per cent limits prescribed by the Income Tax Act. I have one word for that, shame. Shame on a government that would continue to do that and bring it in. It pays benefits prior to the age and length of service required by the Income Tax Act to allay accusations of one set of tax laws for ordinary Canadians and a different set of tax laws for parliamentarians.

The pretence is that these payments are as is said in the study, a retirement compensation allowance to compensate members for the volatile tenure of their jobs. There is not a job in this country that does not have volatile tenure. This is one of them

but this is certainly not the only job in the country that has volatile tenure for sure.

I am splitting my time with the member for Calgary West, and therefore I would like to just finish up by saying that this program is wrong. It needs to be changed. The government promised it would change it. It did not do it by November 21, trough day. Come on, colleagues, this is the time to take action on this. Let us do the honourable thing. Let us make sure that we get this thing changed. It is unfortunate it has lost so much credibility with the Canadian public and taxpayers. Now is the time to get our trotters out of the trough. It has to be very soon.

Mr. Silye: Madam Speaker, on a point of order, we intended to announce prior to the first speech of the member for Beaver River that we would be splitting our time on this debate, 10 minutes each. We would like to put that request in now.

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, I am rather surprised that there are so few questions while there were so many while the hon. member was speaking.

In any case, I am rising to discuss the MP pension plan and just to summarize the obscenity of this plan as the hon. member for Beaver River pointed out. There is a benefit rate of 5 per cent, two and a half times the average in the private sector. There is virtual full indexation, 78 per cent of private plans have no automatic indexation whatsoever. Age of retirement based on years of service, could be at any age, could be as young as 24. Ninety–one per cent of all private sector pensions have a retirement age of 65. Contributions are well in excess of anything allowed under the Income Tax Act and there is the ability to have another federal job while collecting the pension.

All of these things are opposed by the Reform Party and have been opposed for some years now. Our blue book makes clear that we would change virtually all aspects of this plan including the fact that present beneficiaries of the plan should share in part of the costs of those changes.

Let us recognize that under the present plan we have accumulated a liability of $220 million that is growing rapidly and this liability can barely be touched unless some of these changes are applied to present beneficiaries and to those who are presently qualified. Some will reply that this is unfair on a number of grounds and I want to address those changes to really understand the nature of that kind of argument.

• (1025)

First of all, the statement that this would be retroactive is not true. Retroactive changes are changes to law at a prior time and no one is suggesting that. We are suggesting that there would be retrospective changes which legally speaking are changes that would only affect the future consequences or only affect the future expectations of law from a prior time which is common to virtually all legislation.

It has also been suggested that these are contractual obligations that are somehow sacrosanct. There is no contractual obligation here. Let us be absolutely clear about that. The MP pension plan is a legislative privilege. Section 42 of the Federal Interpretation Act makes it clear that Parliament has the authority to revoke, restrict or modify any privilege or advantage by repealing or amending the statute that granted that privilege.

The MP pensions were not entered into on a voluntary or commercial basis. There were not even two parties in this case. This is a case of politicians voting something for themselves, something that there was absolutely no reasonable expectation that their contributions would give them.

It has been suggested that it would somehow be inherently unfair to make MPs change their pension plan. In response to that I believe fully and our party believes fully that contributions should be protected. To the extent that MPs have contributed the value of those contributions should be protected. Let us also be clear that contributions to the plan account for less than 20 per cent of the benefit. There is absolutely no fairness in providing such a windfall benefit at the expense of taxpayers.

In terms of charter arguments there would be absolutely no evidence, notwithstanding the pleadings of the Deputy Prime Minister, that members of Parliament or politicians in general constitute a disadvantaged group in our society.

There is no fairness also in suggesting that all of the reduction in pension benefits should fall upon those who are serving now or who may serve in the future. There is no fairness in my view in suggesting that future or present MPs, once the rules are changed, should be treated differently than past MPs. That kind of objection goes more broadly to a philosophy that states that only younger people should pay the costs of the present financial situation in the country, an implication that I reject entirely.

What are the implications of the kind of argument against these changes and these retrospective changes? What these people are really saying is that we can change virtually any plan in this country but not the MP pension plan. The previous government changed old age security to provide a clawback. This Liberal government has not seen fit to change that. Previous governments changed their obligations on equalization payments to the provinces. They changed their obligations and payments in health, in post–secondary education, none of which this government has reversed. This government has also made it clear that it is contemplating changes to RSPs, so far as to even

contemplate confiscation in some cases of certain portions of private savings.

Yet the argument would go that MP pension plans are somehow sacrosanct. This is a completely untenable position. It is another example of the House of Commons suggesting that it should protect itself above all else. Just as we see today where the procedure and House affairs committee is suggesting that we should protect the size of the House of Commons from reduction, we should not share in the general downsizing of government here, we are seeing a similar argument with the MP pension plan.

The Prime Minister early in this Parliament promised or said that MPs should be able to opt out of the plan. As the member for Beaver River pointed out, we are now paying 11 per cent of our gross salary which only covers less than 20 per cent of the plan to pay for the extravagant pensions of those who are already receiving it. This is something we as Reformers object to. Of course we would like to see a fair plan but we are prepared to arrange for our own private savings.

• (1030)

The question is: Why is the Prime Minister delaying? I believe it was August 3, 1993 that the present Prime Minister called on Kim Campbell to recall the House of Commons and make changes to the MP pension plan and he wanted it done in one day. He said it could be done in one day. Now 400 days later nothing has been done and nothing in particular has been done on his promise to allow MPs to opt out of the plan.

Why is he so reluctant? The reason is very simple. The Prime Minister knows he made a mistake in suggesting that MPs could opt out of the plan. He knows full well that if any MP in this House opted out of such an obscene and indefensible arrangement the political pressure on other MPs would virtually force every other member of Parliament within one term to drop out of the plan if they were considering seeking re-election. The Prime Minister knows that.

I urge government members not to be so critical and to read the motion. The motion is quite reasonable. In principle it is not unlike what the government itself suggested during the election. I would suggest that government members consider this very carefully. Forget the fact that some of them have big dollar signs in their eyes now and in their dreams. Just remember that the motion is quite reasonable, vote for it and indicate to the Canadian people that all parties are prepared to make a change to this unjustifiable arrangement.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, I have a question for either the hon. member for Beaver River or the hon. member for Calgary West.

Accept for argument's sake that in juridical terms what we are dealing with is not a constitutional right, because unlike the United States constitution the Canadian Constitution has no contract clause. We are dealing with a constitutional privilege.

Is it the thrust and intent of the motion not merely to cover presently operating privileges as to pensions but those that might be said to be in a private law sense to have already vested, that is to say, contracts already entered into? The argument as presented would seem to suggest that this should apply both retrospectively and prospectively in the full sense. I wonder if that is in fact the intent and purpose of the amendment.

Mr. Harper (Calgary West): Madam Speaker, I appreciate the question.

The member for Vancouver Quadra will understand that today we are not discussing a formal amendment or legislation but merely a motion that we bring the MP pension arrangement into line with private sector standards.

In terms of my own address I was talking specifically about broader Reform Party policy which has suggested that changes to the MP pension plan should apply retrospectively as well as prospectively. Once again I would defend that very clearly on a number of grounds. The most important is that this was not a voluntary transaction and not a transaction with any defensible commercial basis. Any privileges that have been gained through this legislation well above and beyond what could be expected from MPs' own contributions should not be protected in law, not for past members nor for future members.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I note my colleague said in his address that over 400 days ago the Prime Minister had said he was going to make a change to the MPs pension plan. By way of comment I draw to the attention of the House that he cancelled a multibillion contract on helicopters just like that. He cancelled the Pearson airport deal which was in the hundreds of millions of dollars just like that.

I wonder if the member has any idea why in the world the Prime Minister would not have done something about the MPs pension plan when it is the number one item on the hit parade. The people in my constituency tell me and other members in my party tell me that when they get to their constituencies it is the number one issue that stands between them and their constituents in spite of the fact that our party is attempting to do something about it.

• (1035)

I find it absolutely amazing that there are only 52 members in this House of Commons who find that to be true. I wonder if that is possible.

Mr. Harper (Calgary West): Madam Speaker, I cannot read the Prime Minister's mind but it is evidently clear that within

the government caucus there is more support for preservation of the MP pension plan than for respective certain private and voluntary contracts.

In the case of the cancellation of the helicopters the government has fulfilled its contractual obligations. Of course in the case of the cancellation of the Pearson airport, the government is actually trying to block the right of those people involved in that contract to even seek some kind of compensation through a court process. That seems particularly ridiculous when in the case of the MP pensions it is fairly clear from my office's study that if retrospective changes were to be taken to court there would be very little likelihood that MPs would be successful in achieving these gross privileges they had voted themselves in the past.

I cannot entirely explain the government's motivation, but I would repeat once again for the hon. member and for other members across the way that it would be in the interests of all parliamentarians if the government would vote for the motion and proceed on a plan that gave realistic and defensible benefits to members of Parliament.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, it is my pleasure this morning to address the House on this opposition motion presented by the member for Beaver River.

The motion says that this House urges the government to replace the current members of Parliament retirement allowance plan with a pension plan that reflects the current norms for private sector pensions with a maximum contribution in accordance with the Income Tax Act.

Perhaps before discussing the content of the motion itself we could spend a moment talking about what brought us to this discussion today. I have a theory and members across are free to disagree with it. I believe it is reasonably easy still, although somewhat less than it was a year ago, to bash anyone in public office. Perhaps that is fair game. We certainly should not be immune to criticism, all of us who have chosen to seek public office or to serve in this very honourable House.

Miss Grey: We are not bashing; we are bashees as well.

Mr. White (Fraser Valley West): Now we are going to justify it.

Mr. Boudria: Madam Speaker, I see I have already provoked a few cat calls from across the way. I also am of the opinion that the mistakes of previous governments, particularly one regime that was turfed out, should not be equated with criticism against the institution itself or those who now serve in it.

I believe firmly in what I call the John Diefenbaker way of looking at it. There is no greater honour for a Canadian than to serve his or her fellow citizens in the highest court in the land, the Parliament of Canada. I have said this in previous Parliaments and I will say it again in this one.

I came to Parliament Hill on October 25, 1966 as a busboy. I am very proud of the fact that I managed to climb more rungs in the ladder than those who started in the middle of it. I am very fond of that and I am not ashamed of that background. On the contrary, I use it to illustrate what a great country this is when someone can start with such humble beginnings and end up a member of Parliament. In my case I am presently the chief government whip, thanks to the decision of the Prime Minister on September 15.

Miss Grey: We are talking about pensions here.

• (1040)

Mr. Boudria: The member across the way says she is talking about pensions. I know exactly what she is talking about. She is talking about the compensation offered to MPs, those things that bring us to Parliament and those benefits that are accorded after one leaves. That is exactly what I am talking about as well.

There is a one man band in this country, the David Somerville band. The one man band calls itself the National Citizens' Coalition. It is not national and it is not a citizens' coalition. It has nothing to do with anything of the sort. It is a business operated by one person who puts ads in the newspapers inviting Canadians to give him money. He says he is going to use that money to buy some more newspaper ads to fight the causes he says he is fighting. How much money is that person paid? No one knows. How much money do Canadians give him to fight these causes which he says are legitimate? No one knows that either.

[*Translation*]

Members opposite are saying this is not someone who holds public office. I never said he was. In fact, I made it clear at the beginning of my speech that he had his own business. I did not say he held public office; hon. members opposite should have listened more carefully.

This individual takes advantage of the Canadian people, who are often taken in by his malicious attacks against those who serve in this House, and he puts ads with little pigs in the newspaper, urging people to send them money. That is his way of getting rich, not his way of defending the interests of Canadians. Let us be clear about his agenda.

[*English*]

Miss Grey: We are talking about MPs pensions from the inside.

Mr. Boudria: The hon. member across is heckling that we are talking about MPs pensions. I am talking about the guy who put the ad in the paper about the MPs pensions, if the member was listening.

The Reform Act of 1830 in Britain was passed to do essentially three things and it is part of our Constitution in Canada. It was passed to widen the franchise to enable more people in Britain to participate in the democratic process. It was also passed to do away in large measure with what were called rotten boroughs and to enable different constituencies to have equivalent representation or close to it in the British House of Commons. Also it was to give salaries to members of Parliament in Britain so that not only the rich could be MPs. Not only the rich. That is an important issue.

The member across keeps heckling that is salaries. A salary is part of what an MP gets to do his or her job in this place.

Some years ago when the same Mr. Somerville put one of his ads in the newspaper I challenged him. I appeared in a television debate with him. I demonstrated to him that I had served as a civil servant for many years and when I had withdrawn from the civil service pension plan I was forced, and I say forced, to withdraw my contributions to the plan.

Miss Grey: You cannot do that with this.

Mr. Boudria: Yes, as a matter of fact one has to withdraw their contribution if one has not reached the amount required to obtain a benefit. The member is completely wrong.

I was forced to withdraw my contributions to the plan without interest, or I think I received 2 per cent. That was in 1981 when the interest rate was something like 18 per cent but I received 2 per cent on the money I had invested. I put that in a registered retirement account.

I debated with Mr. Somerville and said: "Mr. Somerville, I will make a deal with you. If you think my MP pension plan is so great, you can run against me in my riding and if you think your plan is so great maybe the people will vote for you. Alternatively, I challenge you to do the following. Let us calculate it and see, Mr. Somerville, if a registered retirement savings plan given to MPs"—which is what he was advocating at the time with employer–employee contributions—"would be richer or poorer than what we have now". I challenged him. I said: "Do it for me. If your plan ends up being better than what I would get out of a retirement plan of the kind we now have for MPs, I will resign". It was the opposite. In fact I could easily demonstrate that in my case I lost quite a bit.

• (1045)

Miss Grey: Is the challenge still on?

Mr. Boudria: The member across used figures selectively a while ago. When referring to the member for Kingston and the Islands she said that he was eligible for a given amount of pension, therefore this was an unfunded liability of some millions of dollars, which she demonstrated.

That is hopelessly wrong for a number of reasons and members across know it. First of all, the unfunded liability is based on two premises. One, that the person would retire immediately and live until age 75, which may be the case. Of course, not too many members have resigned yet today even though it so–called trough day for 52 of them.

Miss Grey: They qualify now. It is kick–in day.

Mr. Boudria: If the member across will stop interrupting just for a minute or so, she will know that the second proposition is even more important. That is the fact that the whole unfunded liability business is based on the assumption that no new member would ever be re–elected to make contributions toward the plan.

Mr. White (Fraser Valley West): It is so different now that we are Liberal, eh? Now that we are government.

Mr. Boudria: I do not know what the people across are advocating, but I personally am not proposing to end parliamentary democracy in Canada today. I would imagine that whatever plan there is, there will be new people to contribute to it and that the unfunded liability is just a bunch of nonsense perpetrated by Mr. Somerville and now—

Miss Grey: Do you challenge Mr. Somerville again today?

Mr. Boudria: I have challenged Somerville many times. I have debated him on television. Members across have seen this.

Mr. Ramsay: Unsuccessfully.

Mr. White (Fraser Valley West): Now that we are government things have changed.

Mr. Boudria: That is not to say that we should not amend the member of Parliament retirement plan. As a matter of fact, in the book "Creating Opportunity", we have said the following:

[*Translation*]

> The pension regime of members of Parliament has been the focus of considerable controversy. It is now the subject of an independent review.

Members opposite asked what the government is waiting for. Two studies were ordered: one, under the previous government, was the statutory review conducted after each election, and the other one was done by the former Prime Minister. We were waiting for the results of these two studies. We have received them, and the Prime Minister said he would table amendments in the House.

I will read some more from the red book:

> It is now the subject of an independent review, which Liberals support. We believe that reform is necessary.
>
> Whatever the results of the independent review, a Liberal government will reform the pension plan of members of Parliament to end "double dipping". Members of Parliament should not be able to leave office and receive a pension from the federal government if they accept a new full–time paying job from the federal government.

[*English*]

That is an important point. How many of the members who are making these remarks today have said that some members of Parliament are receiving pensions from the federal government and are here as MPs. That is double dipping.

Mr. White (Fraser Valley West): No, it is not.

Miss Grey: No. You are an MP first. It is when you are an MP first. That it is double dipping.

Mr. Boudria: How about those who used to work, not to name them, for Transport Canada?

Mr. White (Fraser Valley West): Can you redefine double dipping?

Mr. Boudria: That is an interesting proposition. I just heard the member across say that someone who is an MP first cannot double dip to be a civil servant later, but that someone who got a public service pension first can double dip and be an MP later. That is what I just heard the member for Beaver River say.

Mr. Harris: You have to get elected first.

Mr. Boudria: If that argument works for you, Madam Speaker, it does not work for me. It is illogical. A double dipper is a double dipper is a double dipper as far as I am concerned. If we are to end double dipping, it applies whether someone is a general, a colonel, an employee of Transport Canada, a retired MLA or anyone else.

Miss Grey: Or a busboy.

Mr. Boudria: Double dipping is double dipping. If that displeases the hon. member for Beaver River—

Mr. Harper (Calgary West): That is not what the red book says.

Mr. Boudria: The red book says clearly that there should be no double dipping from the federal administration.

Mr. Ramsay: Give it up, Don. You are losing, Don.

Mr. Boudria: We will see a little later how some MPs in this House react when the government's initiative is announced.

[*Translation*]

Finally, I want to talk about the salaries of those who serve in this House and compare them with salaries in other professions. We already know that according to a study by the OECD, Canadian parliamentarians are paid the lowest salaries of any G–7 country.

• (1050)

We also know that, in Ontario, mayors of large or medium–sized municipalities earn anything from $63,000 to $155,000, police chiefs make $90,000 a year, school principals in Toronto, $88,000, company officers $90,000 in small companies, $98,000 in slightly larger ones and $118,000 in large companies.

[*English*]

In terms of professionals here are some salaries: journalists, $60,000; accountants, self–employed, $76,000; lawyers, $98,600—

Miss Grey: What do they get for pension?

Mr. Boudria: —dentists, $108,400; judges, $112,100; and doctors, self–employed, $121,100. That is the cash compensation. If we include other benefits such as pension contributions they vary and bring some of these salaries I have just listed as high as $139,000 and $144,000 in some of the executive positions.

I thank the member for Beaver River for heckling that particular one. I would not have thought of bringing the total compensation to public attention.

[*Translation*]

I would like to read from two editorials, Madam Speaker. The member opposite said that every editorial writer was against the members of Parliament retirement plan. I submit to you that it is not the case. Let me share the following with you.

[*English*]

This editorial from the February 27, 1992 *Hill Times* says: "The Canadian legislator has long since given way to the professional politician. Without an adequate salary and pension plan the only people who would apply for the job today would be the wealthy, the well networked corporate union types, the weak–willed who would use the position to line their own pockets". That is what one editorial said.

[*Translation*]

I would like to read this other commentary, which is dated November 21, 1994. It was signed by Dr. Clinton Archibald, political scientist and professor at the University of Ottawa. In a piece entitled "Nos riches politiciens" (Our Rich Politicians), he states that the problem with the charges made by the coalition is that they rest on the premise that it would be to the advantage of the public not to pay its elected representatives well; if that were the case, we would have only one class of members in Parliament: already well–off individuals representing money interests only or aspiring to do so to compensate for their slender income.

Not all editorial writers, not all Canadians are against paying a decent salary to their elected representatives. Yes to pension reform. The Prime Minister announced that it was forthcoming. Yes to all of that, but no to holding the position that all parliamentarians should be entitled to is a paltry salary, paltry compensation, thereby allowing only the rich to be represented in Parliament.

[*English*]

Are amendments necessary? Yes. Are we going to make changes? Yes. Should MPs be paid less? No. MPs should be paid a decent salary to do the work that is necessary to be done. I do not apologize for working hard for my constituents. They pay me well for it. I work hard for them.

We announced in the book "Creating Opportunity" that we were going to change the plan and we will. Therefore, I move:

That the motion be amended by deleting all the words after the word "reflects" and by substituting therefor the words:

"the commitment made in the document entitled "Creating Opportunity, the Liberal plan for Canada"".

The Acting Speaker (Mrs. Maheu): I would advise the hon. government whip that I will reserve my decision on the acceptability of his amendment and I will come back to him in a very few minutes.

• (1055)

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I listened in great agony to the member for Glengarry—Prescott—Russell. While I was listening it reminded me of the days when I was a young lad working on a farm in central interior B.C. My job that summer was to clean out the stables. Listening to the hon. member speak, what he was saying bore a huge resemblance to what I was throwing out of the stables that summer.

I want to touch on a couple of points. The hon. member for Glengarry—Prescott—Russell made a statement that there is no greater honour than to serve the people. He referred to the right hon. prime minister of the past, Mr. Diefenbaker. I would say that there is no greater disgrace in the House of Commons than the MPs' pension plan as it currently stands.

We may serve this House as MPs with the honour of serving the people, but that is counteracted. Any pride we may feel in this House is counteracted by this obscene MPs' pension plan. But this government refuses to change it. It says it is going to do it. When the Prime Minister was in opposition he said he could do it in a day. Now 400 days later we are wondering how long his and his government's days are.

The hon. member who just spoke, and I would like to just put this on record, has been in the House 10 years. If my arithmetic is right, and we will give him the benefit of the doubt, he has probably contributed about $75,000 to the pension plan, averaging $7,500 a year. If he retired tomorrow, and let this go on the record for all the people of Canada to see, for a $75,000 investment he would collect $2,152,672. Such a deal, such a deal. It is no wonder the Liberals do not want to change the pension plan.

The hon. member also referred to the NCC. He said the Canadian people were vulnerable to malicious, hugely disparaging ads by the NCC that exposed this pension plan. What the Canadian people are most vulnerable to is the constant cash grabs by the government to pay for these things. That is what they are most vulnerable to.

Let us clarify this double dipping phrase once and for all. Obviously the member opposite is very confused about what the Canadian people think about double dipping. That is not surprising. This government has a habit of not listening to the Canadian people. The Canadian people hate double dipping which specifically refers to someone who serves in the House of Commons for six, ten or fifteen years, is paid reasonably well as an MP and then is eligible to collect this gold–plated pension.

They collect the pension. As a matter of fact, the hon. member has been here 10 years and he could collect a pension of $33,540 a year starting next month. The member retires and of course his Liberal pals are still in government. What happens is he gets appointed to a key government position. Now he gets a salary from the same government he just retired from. He is getting $33,540 a year in pension and now he is eligible to get whatever in his new job.

That is double dipping. Let us be clear about what Canadians think of double dipping.

• (1100)

I am sure that today is going to be a fun day on this subject. I encourage more comments from the Liberals although they have an indefensible case. I am sure there will be some more rhetoric and more stable waste coming from the other side of the House today before we are through.

Mr. Boudria: Madam Speaker, I will try to be polite with the member in spite of what he has just said. I do not think his questions are horse manure. He has a right to ask whatever he wants no matter how objectionable I privately think his questions are.

I was asked if I contributed approximately $75,000 in capital to the MPs pension plan. That is probably true. I have no idea. I never counted it. We can phone some place in the comptroller's office and someone can tell us. It could be true.

He would however not take into account interest accumulated on capital. If one added that based on the basic five–year GIC rate, I would suspect that the $75,000, if it is the proper amount, is probably worth somewhere between $150,000 to $200,000 right now. Even invested in a GIC, that amount would generate probably $15,000 or $12,000 a year. I do not know what it would generate. That is not the point.

The point is that I am not retiring. I know it saddens members across the way, but I will not quit. I am not retiring. I was not elected to retire. I was elected to serve. Maybe that is a concept that shocks members.

I can understand why Reformers are just a little defensive concerning double dipping. They say it is okay for someone to receive a federal government pension and to serve in the House at full salary later but not the other way around. Could the reason why the argument is presented in that way by them is because they have dissension in their caucus with at least three double dippers at the federal level that I know of, two of whom are sitting in the Chamber right now as I make this speech. Duplicity, thy name is Reform.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I will try to bring a civil tone to this debate. I absolutely agree with the hon. member that it is an honourable calling to serve the people of Canada.

Yesterday I was in a high school in my constituency. As I was in a junior high school telling people about the honourable calling that I had undertaken and trying to get these young people involved in the democratic process, this subject was raised by the students.

I suggest to the hon. member that he should be proud of working his way up the ladder. I suggest to the hon. member that all members work hard for the people of Canada. Why is it then that the government side refuses to make these changes within a responsible, reasonable time when the Prime Minister, then the opposition leader, said in August 1993 that he was going to be making the changes. However he does not do it but he does wipe out contracts worth billions of dollars, making all sorts of changes.

When the member says the NCC is simply conducting malicious attacks against members, I suggest that the NCC is drawing to Canadians' attention the fact that the members have a gold–plated plan that is unacceptable.

I wonder if the member would agree that perhaps his way of handling the problem would be for the legislature to outlaw criticism of the pension plan? Therefore we could get on with life. Is that the way we should do things?

The Acting Speaker (Mrs. Maheu): Time has almost expired.

Mr. Boudria: Madam Speaker, I will be very brief. I know that this hon. member knows much better than what he has just said. I have the highest respect for that member. He knows that no one is advocating that Mr. Somerville does not have the right to state the nonsense he is stating. He has absolutely that right. This is a democracy. But I also have the right to say what I think of him just as he has the right to say what he thinks of all of us. I will continue to do that because that is my right. We have not refused to deal with this issue.

• (1105)

Members will know of the two reports presented in the last Parliament and they will know of the Prime Minister's commitments, some of which were made as late as yesterday in the House of Commons. The member knows deep down what the Prime Minister said.

Mr. Abbott: Four hundred days.

Mr. Boudria: The member will know that approximately half of that time was taken up with the two reports, one ordered by the previous government and the other one which is statutory. In any event it is going to be done.

I do not know whether it will please the people across the way. It will perhaps please that member.

Miss Grey: It will please the people.

Mr. Boudria: Not all of them. Certainly I will make one guess. It is going to make a few double dippers angry.

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, don't we have an interesting debate going today? It is funny how the affairs of men have changed when they become government, isn't it?

We listen to the hon. member justify how hard he works, which is important, and how he justifies living off the Canadian taxpayer through the pension plan. I am going to address double dipping, among other things.

Perhaps Liberal Party members could ask themselves what is the difference between the MP pension plan and Lotto 649. The difference is risk. There is risk in getting Lotto 649, a payment for life, but there is none in the MP pension plan. Are there not all kinds of taxpayers out there ready and willing to pay now?

I want to address the red book and the blue book for a moment. We have heard so much about this red book. Canadians should think back to how long they have been hearing about this red book. They have been hearing about it since the election. It was written during the election to sell taxpayers on what they wanted to hear.

The blue book is the Reform policy document. Canadians have been hearing about it for years. That is the difference between a party of commitment and a party that wants to come to Ottawa and sell the folks on an election every five years. That is the difference.

Now that they are the government, here we go. We are going to hear more speeches from these folks. We are going to hear all about how we can justify through hard work a pension plan.

There were a number of major issues during the last election. I would suggest the finances of the country was the number one issue. Other issues were the criminal justice system, the problems with immigration and the fact that Parliament needed an overhaul through things like recall and free votes and so on.

There were two issues that the people put before the politicians. One of them was the Senate. The people were saying: "Either toss that group out or elect them". The other issue was: "What about MP pensions?"

We have elected the Liberals. We have a majority government. What are the Liberals going to do? They have put three, count them, of their party hacks in the Senate. I congratulate the Liberals. They have done exactly what the Canadian people did not want. Now we hear today about the Governor General's appointment. I believe he has some affiliation with the Liberal Party.

The second issue was the MP pension plan. Virtually every Canadian told politicians to do away with it. What happened? The Liberals said they were going to study it for a year. What do the Liberals over there have to study? We already know what is wrong with it.

There was reference to the study. By the way, that study was supposed to cost around $150,000. I could have provided the service for very little. It finally ended up costing, if you can believe it, a little over $200,000. One can check the firm who did it to see if they have any affiliation or made any contributions to the Liberal Party. I know what the relationship is.

• (1110)

Here we are at trough day yesterday with 52 who are already jumping into the trough. What have they told the taxpayers? Where are they over there?

Miss Grey: The one that supports MP pensions.

Mr. White (Fraser Valley West): The one who supports MP pensions.

The Acting Speaker (Mrs. Maheu): I am quite sure the hon. member is well aware that we do not refer to the presence or the absence of members in the House.

Mr. White (Fraser Valley West): Madam Speaker, I love a crowd, that is all.

We have told the people in Canada that we are going to ignore the Senate. We will do what we want on that, although they wanted some changes in it during the election. We are going to ignore the MP pension plan. We are going to make some very small changes to it. Just watch, when the changes come out to the pension plan and see what we get. We have got 52 already qualified, so they will do all right.

I have actually had some personal experience in developing pension plans. I have developed a pension plan. It is a money purchase plan. It is significantly different than a defined benefit plan. I do not want to get into the details because I do not want to take the time. I am having too much fun having a little discussion on some of the other things.

I want to talk about the defined benefit plan for a minute. I will read for clarification. They calculate pension benefit payments according to a defined formula. That is what is basically and inherently wrong with this MPs pension plan:

> These kinds of plans become more difficult for employers to administer. Uncertainty in financial markets, changing rules and regulations and problems in dealing with actuarial surpluses and liabilities have made defined benefit plans consistently more risky.

Indexing, cost of living increases and so on lead to a deficit in the MP pension plan. We have to make up a deficit, of course, at some time or another. That is another whole lesson these folks have to learn. They are not doing well at that.

We had an actuarial adjustment to the MP pension plan of $158 million. That is okay. Just throw the $158 million into the pot for them, because it came from the taxpayer.

Let me give a little lesson to the folks next door. I will say it like this. "If you continue to think the things you thought, you will continue to get the things you got". That is saying they had better focus on the future, because they are continuing to go the same way as the Conservatives and the Liberals before them. Nothing has changed. They had better learn.

Personally, when I came into the House as a member of Parliament I asked to be relieved of the pension plan so that I would not have to pay into it. I wrote the comptroller a letter and asked him: "Is it possible to get out of this ridiculous plan?" Here is the letter I received:

> I am writing with regard to your letter of December 7, 1993, in which you indicate that you do not wish to contribute to the retiring allowances accounts under the Members of Parliament Retiring Allowances Act. However, pursuant to the Members of Parliament Retiring Allowances Act, members are required to make pension contributions based on the amounts payable by way of sessional allowance.
>
> Therefore, we are unable to accede to your request and will continue to deduct your pension contribution until such time as the existing act is amended.

Here is the part I like:

> I trust the above will be to your satisfaction.

• (1115)

It is not to my satisfaction. It will never be to my satisfaction and it will not be to the Reform Party's satisfaction. It will change. It must change. It has to change. I replaced a fellow in my riding 52 years of age with 18 years of service. He is now picking up $46,803 a year from the taxpayer. That is only about $2 million if he gets a little older. What the heck, we are only taxpayers out here, folks.

I just cannot understand. I guess it is because when the Liberal Party is in opposition it says: "Ah gee, all these things are wrong. They have to change. The pension plan is exorbitant. We

do not deserve it". However, when it gets over there: munch, munch, crunch a munch at the trough.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Madam Speaker, Bloc Quebecois members find this morning's debate a little funny because we do not intend to stay here very long and will not need the pension plan. Quebec's representatives will certainly leave this chamber before long; we predict that it will happen in 1995.

However, what I find really funny this morning is what I could call Reform's self-flogging exercise over salaries. These people, who engage in grandstanding at the drop of a hat, regularly come here to talk about cutting the salaries of overpaid members, despite last year's Price Waterhouse study stating that members of the House of Commons are underpaid.

Strangely enough, we do not hear much about the members of that party who collect both their salaries as members of Parliament and their pensions as former army generals or members of provincial legislatures.

What is the point of this? I wonder how sincere they are when they make such comments. Could it be that they found a cheaper way to engage in grandstanding? The day when a member of the Reform Party can prove publicly that he has decided not to collect the various pensions accumulated in the armed forces or elsewhere, he may earn the respect of the other members here today.

Furthermore, I wonder if the money they will save on voluntarily uncollected pensions will be spent on enlarging prisons, since they are so keen on incarcerating people for longer periods. Their right-wing policies are not very consistent with what they said this morning.

So until Reform members can prove that they are acting in good faith and that those eligible have voluntarily forgone the benefits accumulated in other pension funds, allow me to question their good faith and their honesty in this House.

[*English*]

Mr. White (Fraser Valley West): Madam Speaker, there is one thing I agree with, the statement by the hon. member from the separatist party that he does not plan to be here too long. I can agree with that. We hope he is not here very long either.

I really think the question was about the savings that we get from this pension plan. I do not know if the hon. member heard but we are actually borrowing about $40 billion a year to run this country. We are spending $40 billion more than we take in. I kind of think it would be a good idea, although it is hard to convince the Liberals about this, to try to pay that down. What do you think of that? Maybe we could just try to balance the budget for a change.

It is not just a matter of taking the money from some of these ridiculous accounts and trying to find out what to do with it. This is a very principled issue. The question is whether or not people after six years of service anywhere deserve a pension as exorbitant as this one. The answer according to the taxpayer is no, so why do we spend all of this time trying to coax this government into change? We should not be here doing this. Everybody in this room knows that these changes have to be made and there should not be debates.

• (1120)

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Madam Speaker, when I was getting ready to come to the House today to speak I turned on the parliamentary channel and I listened to the member for Glengarry—Prescott—Russell. As a result of listening to what I think was fairly accurately described by my colleague from Prince George, I found it necessary to change a lot of what I was going to say.

The hon. member suggested that this is an honourable profession and that it is great of us to be here, him included. In the same breath he went on to talk about the remuneration of an MP and the benefits, referring to it as "those things that bring us here". Perhaps that is what brings members of the Liberal Party here but I can assure you, Madam Speaker, that it is not what brings members of the Reform Party here.

He also discussed at length the concept of the RRSP as an alternative to the MPs pension. He talked about the suggestion that this is what should be done with our pensions. Then he put out a challenge to the gentleman who raised this, suggesting that if he can show how he could make more through RRSPs and this type of thing that he would in fact resign. It would be wonderful if we could bring that about.

That being what it will, he is suggesting he wants the maximum dollar he can get, the maximum benefits. The only way he is interested in change is if we can prove to him that he is actually going to get more. There is no intent of sacrifice there, no intent of recognizing the financial situation Canada is in, only will he make more if we make some change in that direction.

He then went on to suggest that it was a red herring, that the Reform was cooking up false numbers because there really is no deficit in the pension plan, that although people retire and get these huge gold-plated pensions there are more people coming into the House and as a result they will pay in and this will make it all right.

The member obviously does not know anything about the concept of cumulative effect. In fact that may well explain why we are five hundred and thirty-some odd billion in debt and going up at the rate of almost $1,500 a second because of the cumulative effect not only of the overspending by the Tories in the last nine years but the Liberal Party before that.

The cumulative effect is if a member retires and starts collecting this money and is relying on those people now in the House to make that payment, which I might add is what is destroying the Canada pension plan, then the problem is that that first member who retires is still collecting while the second member retires and joins him at the trough. This is the problem with the type of system we have now.

The hon. member suggested that this is part of the remuneration package. It is an unreasonable, unrealistic way of trying to compensate people for coming to the House of Commons. A realistic way would be if a member simply got a responsible proper amount in terms of annual compensation. The difference between that and what we are getting right now is the fact that no matter what you pay a person, it stops when that person stops making his contribution. If it becomes a matter of a difference in salary or a matter of a shared contribution to an RRSP, the government's obligation ends when that person ceases to be a member of Parliament but the member then benefits from whatever resources were built up during that period of time.

I heard about double dipping from the same member. There are two things I would like to say with regard to double dipping. I am glad to see they are talking about the concept of looking at double dipping for those people who come here, leave, collect a gold–plated pension, and then get appointed to a government board. He referred to three people on this side of the House who in his opinion are double dipping. I am not one to hide behind anything. I believe I am one of those people he referred to.

• (1125)

In looking at double dipping let us first look at the type of concept by which he suggests I am double dipping and the actual benefit that I receive.

First, I am getting a pension as a result of having worked as an air traffic controller for twenty–two and a half years. In addition to the normal amount that people pay for their superannuation contribution, I paid an additional 2 per cent of my gross salary for what is referred to as an early retirement benefit. That is something that I paid over and above the normal superannuation deductions for the benefit of being able to retire early from a profession in which very, very few ever make it to full retirement.

In addition to that 2 per cent I paid, I took a reduction of 20 per cent of my calculated pension because I retired early, over and above the extra 2 per cent that I paid. I have paid well and good for the benefits that I receive.

Let us look at those benefits. I worked 22.5 years as an air traffic controller. After 22.5 years I have a pension of approximately $17,000 a year.

As did other members, I replaced a member in order to come to this House. The member for Kootenay West—Revelstoke that I replaced after two terms of office collects a pension of $27,000 a year, 70 per cent more than I get for 22.5 years of service as an air traffic controller. I think the hon. member might take this into consideration both in terms of pointing the finger over here at people like myself with regard to double dipping and, second, in regard to trying to defend the justification and reasonableness of a pension plan that pays someone after two terms of office $27,000 when someone who worked 22.5 years paying 9.5 per cent of their salary receives $17,000. There is something far apart.

Everyone who works in this House, except for MPs, the clerks at the table, the Sergeant–at–Arms, all the people who work in the House who make the machinery work, who work behind the scenes, what do they have? They pay 7.5 per cent, two thirds of what an MP pays. What benefit do they get for that? They get 2 per cent per year based on their best six year average. What does an MP get? He gets 5 per cent. If we were trying to do it in proportion it would reduce the MP's pay to 3 per cent. They cannot retire until they are 55 years of age. They cannot get any pension whatsoever if they retire before age 50. If they retire after age 50 they lose 5 per cent of their calculated pension for each year they are short of age 55.

When you start drawing the comparison to what everybody associated with the government, every single person with the exception of the MPs and of course those in the other place gets, the pension they get is wholly out of line. It is out of line with industry and it is out of line with every other single person in government.

I would suggest that the government look very closely at changing the whole concept of the program of pensions for MPs. It has to change it to a system that is based on the benefit due a person for the work they do while they are here that allows them to put away for their retirement. God knows, the way the government is going there will not be any other kind of pension available through the government.

We are telling people that they are going to have to reduce and we have to start doing it ourselves. Adjust it so that whatever payment MPs receive from the pension plan stops when those MPs stop serving the Canadian public. They will then make do with the resources they have developed as a result of putting money aside, as most people in the public have to do.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, the difficulty the Liberals are having with this whole concept is the fact that at this moment our nation is under a tremendous amount of stress in terms of how we are going to fund the social programs, how we are going to be able to fund health care and how we are going to be able to fund the entitlements that people in Canada have become used to.

• (1130)

We are not here to necessarily defend all of those entitlements as they presently stand but the point is people in Canada are being told by the Liberals that there are going to be cutbacks.

The members will know that daily the members of this House receive the publication called *Quorum*. I was just flipping through it and I noticed a headline saying "New Brunswick welfare changes foretell the human resources minister's thinking on social program reform".

I wonder if they cannot understand or why they cannot understand that when the finance minister is one of the 52 who was named yesterday, when members of these committees sitting on the Liberal side going around the country saying that there are going to be cutbacks in entitlements, there are going to be increases in university tuitions, but not me. That is the ultimate NIMBY and I do not think the people of Canada are prepared to accept the ultimate NIMBY. I wonder if the member has experienced the same kind of frustration that I have in my constituency of people saying this not in my back yard philosophy is not good enough when members of Parliament are not prepared to stand up and be counted.

Mr. Gouk: Madam Speaker, I have had a great deal of dialogue with people on a variety of subjects in my riding, as many of us have done. It is very frustrating that we are placed in this position in which we have to go out to the public and say we are cutting back on these services and we want you to identify to us what you are prepared to give up.

We are looking at cutbacks in some types of pensions, various types of services that we are going to not only be willing to but are able to offer to the Canadian public. It is very hard to stand there with a straight face and tell the public this when we are faced with the kind of gold plated benefits that are currently available to people in this House.

These are the types of things that we have to address. I am one of those people who take a 10 per cent reduction in my pay. I do it through donations to charities within my riding. I do not do this because I think MPs are overpaid, far from it. Those MPs who do their job, truth be known, are probably underpaid in general terms. Most of us do not come here for money, we come here to serve. We can serve the Canadian public best by leading by example and that is what our motion is all about.

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Madam Speaker, it gives me great pleasure to address this House on the issue of MP pensions. This is an issue that is of great concern to me.

Mr. Harper (Calgary West): On a point of order, Madam Speaker, I wonder if you could verify your rotation list. We just had two speakers split their time on this side and I did see the parliamentary secretary who wanted to speak.

The Acting Speaker (Mrs. Maheu): There has been an agreement with the Reform Party and the Bloc to allow four Reformers or two slots to go to the Reform Party. This had apparently been worked out prior.

Mr. Hanrahan: As I was saying, this is an issue that is of great concern to me, to the Reform Party and to all Canadians.

This pension plan is indefensible even in good times when Ottawa vaults were overflowing and the public was feeling wonderfully generous toward its politicians. In bad times such as we experiencing now when many Canadians are suffering and the government is hard pressed to fund basic programs the MP pension plan amounts to little more than highway robbery.

When I say I know that Canadians truly do want the MP pension plan reformed, I am speaking from results of my constituency survey which I conducted in my riding of Edmonton—Strathcona in the spring of '94. The responses were overwhelmingly in favour of pension reform. When the constituents were asked the question at what age should an outgoing MP be able to collect a pension, 97 per cent of all respondents said that an outgoing or retiring MP should not be able to collect their pension until age 55.

• (1135)

Even more convincing is the fact that 75 per cent of my constituents think that an outgoing MP should not be able to collect his or her pension until after his or her 60th birthday.

A second question that was asked regarding MP pensions was after how many years should an MP serve before being eligible for a pension. The results again were staggering in favour of pension reform. A hundred per cent of respondents said that a minimum number of years should be no less than eight. Eighty–one per cent felt that the minimum number of years of service should be no less than 16. The answers to these questions are a far cry from the present situation which is in place today.

It is important to illustrate a few facts about MP pension plans, as it will clearly illustrate why pension reform is needed. First, pensions are payable immediately upon retirement after only six years of service no matter at what age an MP retires or is not re–elected.

Second, payments continue even if the ex–MP holds another government job which we refer to as double dipping. Third, pensions begin at $23,390 per year and increase 5 per cent per year of service to a maximum of 75 per cent of average salary. Fourth, inflation indexing kicks in after age 60 and finally, MPs pay 11 per cent of their base salary into the pension fund, the government matches this amount and covers shortfalls, an unfunded liability which cost the Canadian taxpayer nearly $160 million in 1992.

By no means is this list inclusive. These are, however, the few items that are of grave concern to me. I have stated in this House repeatedly that Reformers have come to Ottawa to make a difference and I think we have.

We also feel that one way to do this is to ensure constructive criticism and offer an alternative to the status quo of the government. I can honestly say that I am offering the Liberals an alternative to the status quo simply because they are doing absolutely nothing in terms of legislation reform regarding the issue of MP pensions or for that matter any issue.

This Liberal government seems stuck in the perennial rut of talk, talk, talk and discussion paper after discussion paper. The Liberals state in their red ink book: "A Liberal government will reform the pension plans of members of Parliament and put an end to double dipping". After 392 days in government I can see that this was truly an important commitment of the Liberals as we have seen absolutely no legislation and little or no talk about MP pension reform.

Obviously the current Prime Minister has forgotten about his challenge to the former Prime Minister in which he challenged her to recall Parliament if she were truly serious about pension reform: "reforms would pass in one day". The only time the Liberals speak on pension reforms is when they are responding to our questions. Even then all they do is respond with rhetoric and Liberal double talk.

I was right in saying the other day that Liberals are no different than their Conservative predecessors. They may even end up like them after the next election. In the meantime they are all talk and no action.

• (1140)

We on this side of the House know that this government is stalling on the issue of pension reform. Perhaps it is because the Liberals are concerned about having to take another Reform policy such as they have done in the past on issues such as the Young Offenders Act, parole reform, criminal justice reform, debt and deficit reform and let us not forget immigration. All this stalling is doing nothing but costing the taxpayer more and more every day.

We all know yesterday was, as the National Citizen's Coalition called it, national trough day as another group of 52 MPs of all political stripes became eligible for this outlandish and extravagant pension plan which could collectively amount to approximately $53 million if all of these MPs quit today and lived to the age of 75.

While the average citizen in Canada must work 35 years to accumulate a pension, the average MP must work six years. The gold plated MP pension plan should be renamed from pension plan to cash for life rip off of the Canadian taxpayer. This plan is perhaps one of the federal government's most offensive examples of government waste.

What strikes to the core of the issue is the fact that we as parliamentarians have to set an example for all Canadians and stalling on issues such as pension reform is no way to lead by example.

Because of time constraints I realize I cannot mention everyone who is presently sitting as an MP who is eligible for a pension. I believe that I have not only a duty but an obligation to point out a few of the more offensive potential payouts of certain members of this House.

The member for Winnipeg South Centre, initial benefit of over $59,000 annually, will have a total potential payout of over $2 million. The member for Glengarry—Prescott—Russell, initial benefit of $33,000 annually, will have a total potential payout of $2.1 million. The member for Hamilton East, initial benefit of almost $35,000 annually, will have a total potential payout of over $2.5 million. The member for Lac–Saint–Jean, initial benefit of over $26,000 annually, will have a total potential payout of almost $1 million.

Perhaps I have left the greatest sanctimonious display to that of the NDP, a party that claims to speak for the common man and social equality, while the total payout for the member for Saskatoon—Clark's Crossing will be approximately $1.2 million. The member for Winnipeg Transcona will have $3.4 million.

We could go on and on. Just when voters think that they have the final word it turns out that politicians had the last laugh.

Highlights of the 1993 election will illustrate the point. One hundred and thirty–four of the two hundred MPs who were defeated or resigned before the election had complied with the minimum six years of service necessary to qualify for a pension. We must stop this insanity today. We must reform the MP pension plan now.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, on this matter of MP pensions, there is no question that the members have raised an issue which has been raised to all of us by our constituents. However, I note that throughout the debate the members continue to provide figures but they have not explained how those figures were arrived at.

• (1145)

Would the member not agree it is somewhat misleading not to let the Canadian public know that members of Parliament must contribute to their pension plan? In fact that contribution is 11 per cent of their $64,400 salary. That means they are contributing over $7,000 a year. The calculations members are putting forward also assume the member takes early retirement after six years and then receives that pension until age 75 or later.

Mr. Silye: They get it for life.

Mr. Szabo: They get it for life but the calculations that have been provided as examples really go up to age 75 as an average mortality rate.

Would it not be fair simply to put all of the facts on the table? Most members are not here just to be here for six years. They are here to serve, as the member said; they are here to do a job. In many cases as we can see in this House that job goes on for 20 to 25 years. Those members of Parliament who serve their country, which presently is at a salary of $64,400, have forgone the opportunity of their best earning potential during their career lifespan to serve in this House.

I wonder if the member would like to comment on whether or not the facts really are on the table and whether or not the full compensation of the members of Parliament ought not to be considered.

I personally agree there should be changes to eliminate the double dipping scenario. There should be changes to the date at which a member would qualify. I know the government has committed to making those changes and that those changes will be forthcoming at Christmastime. That is the undertaking this government has made to Canadians. We have listened and we are going to make those changes.

However let us never forget that members of Parliament are also family members. They have children. They have mortgages to pay. They have the ordinary costs of anyone else and they are entitled to a fair and reasonable compensation. As the member well knows all of the recent third party studies show that the contribution of members of Parliament in comparison with the corporate sector make their jobs worth at least $100,000.

Would the member not agree that certain facts have not been put on the table? If he wanted to be fair with all Canadians he would make sure they had all these facts.

Mr. Hanrahan: Madam Speaker, it gives me great pleasure to respond to that question.

The key words the hon. member used were ordinary Canadians. Ordinary Canadians average 30 to 35 years before they receive a pension. Ordinary parliamentarians average six years. It would irritate ordinary Canadians to receive after 35 years what we receive after six years. I do not think the average Canadian would accept this in any manner, shape or form.

Mr. Jim Silye (Calgary Centre, Ref.): Madam Speaker, one year ago Canadians sent a clear message to Ottawa that they were tired of the status quo, hypocritical politicians. They subsequently voted in 205 rookies to the 35th Parliament. My speech is to the rookies. My message: Let us not let the veterans corrupt us.

When the voters fired the former frontbenchers, former backbenchers and former prime ministers, they took away their power but for most not their paycheques. We will be paying them for the rest of their lives millions of dollars. We as taxpayers will be paying 30 per cent of the average of the last six years of their salary.

The issue before us today is the MP pension plan, technically described as the members of Parliament retirement allowance and retirement compensation allowance. Combined, the two plans force members to contribute 11 per cent of their salaries toward their retirement, or should I say toward an annual annuity one month after they leave public office regardless of age.

• (1150)

The result is a plan that is fully indexed, completely immune to inflation and payable for life with only six years of service required. Not bad. A lifetime annuity worth about $19,000 plus, and a minimum collectable whether you are 35, 25 or 65 years of age or over just 2,100 days on the job.

For an MP to receive such a generous amount after only six years of service is ridiculous. The Government of Canada must contribute 5.85 times what the members put into the plan to meet the payments. I would suggest that in the very near future this ratio will continue to rise as more and more MPs are retired when voters vote with their feet, unless members pay more into the plan.

I submit this is why so many Canadian taxpayers are upset with MP pensions, considering them both unfair and unrealistic. What plan anywhere in the private or public sector in Canada or in any of the other G–7 countries that this government so proudly likes to compare itself to has such an overly generous matching amount from the government side?

In the name of justice and fairness I urge the government to correct this inequity immediately. What I am saying today is no different from what the Prime Minister when he was leader of the opposition said on August 13, 1993: "We will change the MP pension in one day". He has been here for one year and he has not done a thing except talk about changing double dipping and raising the age.

If that is all he is going to change, it is not enough. It is the overly generous matching contribution by the government that is annoying to the taxpayers of this country. That is what we cannot get through the heads of those Liberal members on the opposite side. I plead with them to show some leadership by example like Reform Party members.

We have all pledged not to take an MP pension in its current form. Yes, we pledged. The Liberals who are here can laugh, but we have pledged that because we want to show leadership by example. Some of us want to opt out of this current type of plan, but the fact is the government will not let us.

Many of us whether we can afford to or not have also taken a 10 per cent pay cut. It is not because MPs make too much money, but because as leaders we know that Canadians will need to sacrifice in the near future and we are prepared to lead by example at the top. Whether it is one of us, 52 of us or 35 of us is not the issue. As long as there is someone willing to lead Canadians will have hope. The Reform Party is here to provide

that leadership. We challenge government members to follow our lead, because simply put, it is the right thing for them to do especially when we are asking Canadians to sacrifice.

How can the Minister of Human Resources Development talk about reductions in social spending, welfare, education and UI without mentioning his own unemployment insurance scheme, the MP pension plan? What will he reduce there?

How can the minister complain about 25,000 auto workers withdrawing $70 million annually from the UIC fund when taxpayers paid out an estimated $158 million in 1992 to cover revenue shortfalls in the MP pension plan to which the Liberal member pointed out earlier we contribute 11 per cent? That is not enough for what you get out. It is topped off in excess of $2 million every year to do exactly what the Minister of Human Resources Development is criticizing the auto workers for. That is hypocrisy.

How can the Minister of Finance talk about taxing RRSPs without addressing his own retirement compensation allowance that taxpayers fund more than he does on a disproportionate basis which is not even allowed in the private sector? This is a minister of the crown.

The hypocrisy of the Liberal government on this issue is truly disheartening. It promised to address MP pensions. It promised to let us opt out and it has not. It has had the report in hand since March with specific recommendations but has done nothing. Instead it has waited for 52 more MPs, 46 of whom are Liberal, to qualify for the golden parachutes.

The majority of Reformers who have taken a 10 per cent pay cut are also denied access to the 11 per cent the government takes out of their pay to fund retired MPs pensions. That is 21 per cent or over $1,000 a month less than any one of the Liberal members opposite get in their paycheques every month. That is what we are sacrificing to show leadership to the country to get everybody to participate in the deficit reduction program.

The government is hurting our cash flow and all its members do is laugh. Well, let them laugh because he who laughs last laughs hardest. Is it any wonder then why some of us on this side of the House question the blindness and stupidity of the government on this issue?

Let me outline the Reform Party's position on MP pensions. We would end full indexation of these pensions. We would postpone eligibility for benefits until at least age 60, with eligibility further postponed by the amount of time in which the person has already been paid prior to age 60. We would also subject the MP pension plan to a tax back according to a formula identical to that of the old age security program.

• (1155)

The Reform caucus has already approved the concept of privately purchased MPs pensions under which future RRSP contributions for sitting MPs would be matched by the government up to the legal limit for contributions. After eliminating the gold plated pension plan this House could agree to a proper and balanced compensation package that would be more palatable and compatible with Canadian taxpayers.

Here is my personal recommendation, which is certainly debatable, but should satisfy our critics and possibly have all the rookies in this House vote in favour of our motion: Individual citizens from time to time wish to enter the public sector to help shape legislation and make a contribution to Canadian society. It is desirable to attract individual citizens from all walks of life to Parliament regardless of income. Therefore, a reasonable compensation package should be offered so as to have this great institution in the hands of members of Parliament more interested in serving their country rather than for the pay, perks and privileges without inflicting undue financial hardships.

This is an important job. Only 295 people in Canada have it at any given time. They must balance personal sacrifices with the public interest. Given the current job description of an MP and people's expectations let us get rid of the impression that MPs are somehow special, different, or somehow deserve something that is not available in the private sector.

Let us get rid of the notion that MPs are paid just $64,000 per year. They are not. They are paid much more. It is confusing. They have $64,000 in salary. They have a tax free living allowance of $21,300 and a tax free expense allowance of $6,000. After six years they get a bonus, a pension for life. They get $27,000 tax free. Why?

For someone in the private sector to earn $27,000 they have to make $50,000 plus. This sort of pay structure is nothing more than planned deception. It gives the Prime Minister the ability to say he makes less than the lowest paid Ottawa Senators hockey player. A member of Parliament's total salary is about $120,000 per year if we mark up the tax free portion. This is the kind of double talk that makes people lose respect for politicians.

The Liberals are in power and the Deputy Prime Minister of Canada supports the GST. She said during the election campaign that if the GST was not scrapped she would resign. They have promised to do it by January 1996. I promised to take a 10 per cent pay cut. I did. I promised to opt out of the current pension plan. I will. I promised to take the 10 per cent pay cut for the full

term. I will. Perhaps the Deputy Prime Minister can learn from this what it means to keep a promise. Will she keep her promise and resign on January 1, 1996 if the GST is not scrapped?

This job itself with its responsibilities compared to the private sector is at least at a senior executive level and is deserving of a $6,000 to $7,000 salary per month. We should get rid of the MP pension plan, the tax free living allowance and the tax free expense allowance, limit members to two terms and offer the following: A taxable salary of $10,000 to $12,000 per month where members look after their own expenses and their own pensions. The $10,000 per month is the current minimum as it reflects basically what MPs are paid now after we mark up the tax free aspects.

I personally believe that MPs should be paid more. However once they are removed from office Canadians should not be on the hook for about $1 million per year per member. They should be given a private sector pension plan to which they pay 5 per cent, matched by the government on a 1:1 basis as opposed to 6:1 as is currently the case. Upon departure after two terms or whenever members would get a one time, one year severance to help re–enter the workforce and reintegrate their previous lives. This is more in line with the private sector and should make the voters and the politicians more respectful of each other.

Madam Speaker, may I ask for unanimous consent to continue for one minute? I have just three more paragraphs.

The Acting Speaker (Mrs. Maheu): I am sorry. We do not have unanimous consent. Questions and comments. The hon. member for Mississauga South.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I wanted to address a couple of the points the member raised. It is extremely important because it has painted a picture which is quite slanted and biased on behalf of the member.

First, throughout his statements he commented about his 10 per cent salary cut. If the member was going to give all the facts he would also report that as has been reported in the press Reform members are now reconsidering their 10 per cent cut because they are not getting enough publicity or benefit from it by the voters.

Second, the member seems to suggest that members of Parliament when they leave this place whether by choice or they are defeated in an election, can somehow simply integrate into the workforce.

• (1200)

The member knows very well that 82 per cent of the members who did not return from the last House do not have employment today. They have nothing to go to. As the member well knows, when members of Parliament leave here, having been defeated in an election, they are a nobody. They are lower than a nobody because they no longer have the influence to speak with people and to have those contacts.

There are many members of Parliament and many others who have served in public life who have given so much that have nothing to go to when they leave public life.

On that basis the member probably should consider that the so–called gold–plated pension plan is in fact not just a pension plan for the future retirement of that member once that career ends but is also to provide some modicum of income protection or salary continuance because of the difficulty that members of Parliament have had to get back into the work force.

The member asks for a reasonable compensation package but you will note, Madam Speaker, that the member was not full and clear with the Canadian public because he did not mention a dollar figure. He is unprepared to say what a fair and reasonable compensation package would be.

Finally, the member made reference to a tax free allowance. The member said if you take this tax free allowance and convert it into an effective salary, the member of Parliament makes much more.

What the member failed to point out to Canadians is that members of Parliament received these allowances to take care of real legitimate expenses. As one example, as a member of Parliament I am here four or five days a week for nine months of the year. I must have a place here to live. That place costs me $1,000 a month. That does not come out of some magical bin. It comes out of the tax free allowance.

The member should really consider whether or not he has told the Canadians the full truth.

The Acting Speaker (Mrs. Maheu): The hon. member for Calgary Centre. You have about a minute.

Mr. Silye: Madam Speaker, that is a nice application of the rules. I really appreciate it. I just heard the gun go off outside. That was hot air just like some of the hot air I am hearing in here.

When the hon. member's leader was Leader of the Opposition he said he wanted to reform MP pensions. He said he would raise the age to 55. We go to 60 so we support that a little higher. He said he would get rid of double dipping which he defines as receiving appointments from the federal level of government while on pension. We would support that as well. Whatever way you want to define double dipping you probably would find the Reform Party supporting it.

Where we fundamentally disagree and where his party is too weak, too void, too empty, lacking the political will, is to make the contributions matching so that if if we give 11 per cent the federal government gives 11 per cent, or if we give five it gives five, no better than the private sector. Why should we be any

different, any more special? The MP compensation package should—

Mr. Szabo: Time.

Mr. Silye: Don't tell me to hurry up. You are the one who was taking the time and hogging my time with your comment. So if you are interested in my comment in response—you're not. That figures. That's the government. That's the government side—

Ms. Clancy: I'm interested. Talk to me.

Mr. Silye: There is a lady across the way who keeps interfering, Madam Speaker. I think I should be allowed another five minutes to respond because of the heckling.

The Acting Speaker (Mrs. Maheu): I am sorry. The time has expired.

I am now ready prior to recognizing the hon. parliamentary secretary to rule on the amendment proposed by the chief government whip.

After consideration the Chair must rule that the proposed amendment by the hon. chief government whip is out of order because it goes against citation 579 of Beauchesne's sixth edition as it sets forth a proposition dealing with a matter which is foreign to the proposed proposition involved in the main motion and as it raises a new question. Second, it goes against citation 929 of Beauchesne's which states:

> On an allotted day, during consideration of the business of Supply, an amendment must not provide the basis for an entirely different debate than that proposed in the original motion.

• (1205)

Also, as quoted in the "Selected Decisions of Speaker Lamoureux" on page 322, it was ruled by the Chair on March 16, 1971 that:

> —for an allotted day, "the spirit of fair play would require that the day not be taken away by means of an amendment".

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Thank you, Madam Speaker.

Mr. Silye: Do you want to talk louder so everyone will hear you?

Ms. Clancy: Now, now. I would ask that the hon. member for Calgary Centre listen. He might hear something that he might even like.

Mr. Silye: Should I hold my breath?

Ms. Clancy: Probably not, although I am sure you can try.

I have been in this House six years yesterday when I was elected.

Oh, please wait to hear what I have to say, ladies and gentlemen.

Six years ago last night was one of the most exciting and humbling moments of my life. The opportunity to be a member of Parliament, to serve the people of Halifax and, I hope, to serve the people of Canada as everyone of us in this House does—some of us whether we like it or not—is something that maybe a lot of us never even dreamed of when we thought about the way our lives would go.

I want to say something else. I think most people in this House who know me know that I am a very partisan member of Parliament and I am proud of that partisanship. I come from a partisan tradition in my family, in my province, in my region and in my party. However, I think that this is an amazing and wonderful place.

Mr. Silye: So now the thinking is hereditary?

Ms. Clancy: Is this the new politics, Jim?

I look over to the other side, to the members of the Reform Party, and I want every one of them, particularly the member for Beaver River, to know that I hold them in great respect. I disagree with them on many, many issues but I hold them in great respect as members of Parliament, as representatives of the people, as fellow Canadians and as colleagues in this House. I congratulate the member for Beaver River for bringing forward this motion. This matter needs debate.

I am going to veer off briefly in a lighter vein to my colleague and good friend, the member for Mississauga South, and say that I thought I was going to burst into tears before he finished his intervention. There are a number of good reasons for the proper remuneration of members of Parliament. I congratulate the member for Calgary Centre again—take it while you can—on his comments about proper remuneration. He is absolutely right.

We all know right now that political suicide, which is something that I do not think any of us are interested in committing, would be to raise salaries. I think that what really needs to be done over the long term is what is said in the red book. I would be happy to read it in the French version which I have right here. It states that the entire thing needs revamping.

In the meantime, and I am only going to deal with this briefly and I will come to it later in my speech, I support very strongly the elimination of double dipping while at the same time not disagreeing with the member for Kootenay West when he talked about his 22 years as a civil servant, an air traffic controller, one of the most stressful and difficult jobs and one of the most important jobs in this country. The issue is a complex and complicated one on both sides.

I can bring up examples particularly in my previous incarnation in opposition when I was charged with the role of women's

critic. It is harder for women parliamentarians to reintegrate to society just as it is harder for women economically in a number of areas.

• (1210)

That is not the issue. We are not people to be felt sorry for. This is the greatest job on earth as far as I am concerned. This job is incredible. I think a lot of us would do it if we could even if we did not get paid.

Mind you, I want to make a point very strongly in agreeing with the Deputy Prime Minister, the member for Hamilton East, that we are worth what we get paid. The member for Beaver River is worth a lot of money to the people of Canada and so is the member for Calgary Centre, I guess—yes, no—and so is the member for Mississauga South. We are all worth our salaries. We work hard.

There may be some but I personally have no knowledge of members of Parliament who do not, as one journalist called it, have the work schedules of dray horses. I also think that we enjoy these schedules. That does not mean we should not be remunerated. It also means that it is not a simplistic issue that can be easily dealt with. That is why I again congratulate the member for Beaver River for bringing it forward and for giving the opportunity for debate in this House.

I want to talk about something in particular because I think it is important. I think that I as a very partisan member of this House perhaps can say this where some others might not be able to. We have to treat each other with respect and dignity when dealing with this issue. I thought about cracking wise about this but the people of Canada and the people in this Chamber deserve better than that from all of us. This is a serious issue.

Members opposite are quite right when they say we have to be credible as we say to the people of Canada that cuts are coming, that we are changing what we do, that we are putting our own house in order. Again, that is why I support the red book promise.

Some comments were made in particular about the member for Glengarry—Prescott—Russell, my whip, a veteran of this House and a veteran of the Ontario legislature, someone who has given long and hard to public service. I certainly do not want to embarrass the member for Glengarry—Prescott—Russell but given the comments by the member for Kootenay West, I am not sure if he knows a bit about the history of the member for Glengarry—Prescott—Russell who started as a busboy in one of the parliamentary cafeterias, who worked his way up, who is absolutely a glowing example of a Canadian success story.

I do not think anybody on either side of this House would deny that there is no better constituency MP in the House of Commons than the member for Glengarry—Prescott—Russell. That is one of the reasons that he gets returned with amazing majorities. I think the last one was somewhere around 85 per cent. There is a quote about the longest serving premier in a Canadian province who was a Liberal premier of Nova Scotia many years. I have a picture of him in my kitchen with a caption that states: "He trusts the people and the people trust him". I think that is a tremendous thing for a person elected to political office to attain. I think that could be said about the member for Glengarry—Prescott—Russell.

When we debate this issue, it is an emotional issue. All of us are emotionally concerned in our own futures. We are all of us concerned for ourselves and our families and we all of us know that these matters are of tremendous importance to us. I do not for an instant accuse the hon. member from the opposition of being unparliamentary. I just want him to know that when the hon. member for Glengarry—Prescott—Russell or the hon. member for Mississauga South or any hon. members in this House stand and speak passionately about any issue, whether it is our remuneration as members of Parliament, whether it is issues that relate to our constituents, whether it is issues that relate to Canada as a whole, and I know that the member for Beaver River agrees with me on this, we all deserve the respect of our peers and colleagues. We all deserve not to be accused of making these statements for personal gain. That is what I found very difficult in those earlier comments.

• (1215)

As I said, I think perhaps he was unaware of the history of this particular member who is, has been and will continue to be a benefit and an adornment to this House.

This debate has in the past been acrimonious. It has in the past used the logical fallacy ad hominem. I am winding up. I know who is coming in. It has in the past created a great deal of sound a fury, signifying nothing.

In closing, everyone who is here, whether it is the hon. member for Glengarry—Prescott—Russell, the hon. member for Beaver River or other hon. members, we are all aware that our role as members of Parliament is one of integrity, decency and deserving of respect.

The hon. Deputy Prime Minister, the member for Hamilton East, has said in this debate that she will not apologize for the remuneration of members of Parliament. I want to say that I stand four square with her and with other members of the government on that level. Members of Parliament deserve their remuneration. We also need to air these issues, discuss them publicly and to ensure that the people of Canada see that we do respect each other and each other's opinions.

I believe last week the hon. member for Beaver River suggested that I would collect I think it was in excess of $1 million if I were to retire today, the day after my qualifying for a pension. I want to assure the member for Beaver River that I have absolutely no intention of retiring today. I hope I would have no intention of retiring long err this. I would imagine that

the hon. member who becomes pensionable on March 13, 1995 will also not have much intention of retiring.

While we will both attempt to assist our colleagues in aiding both of us to that end in future elections, I think we both know that the work we do here and the remuneration we receive for it is certainly not overwhelming. I want to also say that this is a no win argument in many areas of this country.

I want to say that I am delighted to have taken part in this debate. I thank again the hon. member for Beaver River for bringing forward this motion.

The Speaker: I understand that there will be questions put to the hon. member for Halifax in just a moment. I have been given notice of a request to return to ministerial statements. My colleagues, you will have a chance to put questions to our colleague in just a few minutes.

Might I understand, Mr. Prime Minister, that this is a request to return to Statements by Ministers?

Mr. Chrétien (Saint–Maurice): Yes.

The Speaker: Is there unanimous consent to return to Statements by Ministers?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

GOVERNOR GENERAL OF CANADA

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is with great pleasure that I rise to inform the House that Her Majesty the Queen has graciously approved the appointment upon my recommendation of the Hon. Romeo LeBlanc as the next Governor General of Canada. The installation will take place in early February 1995.

• (1220)

[*Translation*]

Hon. members are well acquainted with Mr. LeBlanc, who has served Canada with distinction in public life for over twenty years: as a member of this House, as a minister of the Crown, as a senator and, most recently, as Speaker of the Senate.

[*English*]

Born in New Brunswick, Mr. LeBlanc is the first Governor General from Atlantic Canada. He is also the first Acadian to serve as Governor General.

In recommending this appointment to Her Majesty, I was conscious that a Governor General must have a profound love of his country and of the Canadian people in order to effectively carry out the duties of this high office.

[*Translation*]

I know that Mr. LeBlanc has these qualities. As a teacher, as a journalist and as a parliamentarian, he has made outstanding contributions to Canada and to Canadians. With his understanding of our country and his personal warmth and dedication, I am sure that he will carry out his new responsibilities with success.

[*English*]

At this point I would like also to thank on behalf of all Canadians His Excellency Ramon Hnatyshyn and his wife Gerda. First elected to the House of Commons in 1974, Mr. Hnatyshyn has served Canadians for 20 years. As a member of Parliament, I served with him. He served Parliament with great distinction.

In 1990 Ramon Hnatyshyn was sworn in as Governor General of Canada. Since that time he and Mrs. Hnatyshyn have fulfilled their roles with dedication and dignity. I worked with them for the last year and they have been gracious people to work with.

I would like, on behalf of all the members of this House and the people of Canada, to say to Madam Hnatyshyn and Mr. Hnatyshyn, thank you for a job well done.

Some hon. members: Hear, hear.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the appointment of the Hon. Roméo LeBlanc as Governor General will no doubt be welcomed as good news. I salute the Prime Minister's decision to name an Acadian to this prestigious position, in fact the first one in Canada's history. This is undoubtedly a gesture of openness to Canada's francophone communities.

The Hon. Mr. LeBlanc will be able to continue the efforts that he has always made in his long and fruitful career for the promotion of minority rights. I wish him good luck and great success in his new duties.

Let me also point out the good, solid work of the present Governor General, the Hon. Ray Hnatyshyn, and thank him and his wife for what they have done for their fellow Canadians.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I rise to acknowledge the Prime Minister's announcement of the appointment of Romeo LeBlanc as the next Governor General of Canada and to protest the appointment as unwise and inappropriate.

In doing so I mean absolutely no disrespect for Mr. LeBlanc as an individual, a parliamentarian or a public servant. However, as hon. members know, the prestige and the standing of the Office of the Governor General with the Canadian public is in decline and it is in decline for three reasons.

First, in a democracy an increasing number of people feel that the public should have a say in who occupies the office of chief of state. Second, it is in decline because Canadians prefer the appointee to be above and beyond partisan politics. That reference has not been respected.

• (1225)

Third, it is in decline because the public no longer supports some of the special privileges which pertain to the Governor General's office such as the exemption of the occupant from payment of income taxes and the ability of the occupant to double dip on pensions.

The Prime Minister has disregarded all of these factors in making this appointment which he announced today. Reformers therefore believe the appointment to be unwise, inappropriate, and wish that fact to be registered in this House.

Mr. Chrétien (Saint–Maurice): Mr. Speaker, this is unprecedented in Canadian history. The Governor General nominated has informed the government that he will accept his pay as a governor and will return his pension to the crown.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—MEMBERS OF PARLIAMENT RETIREMENT ALLOWANCE

The House resumed consideration of the motion.

The Acting Speaker (Mrs. Maheu): We are now entering a 10–minute question and comment period for the hon. Parliamentary Secretary to the Minister of Citizenship and Immigration.

Mr. Jim Silye (Calgary Centre, Ref.): Madam Speaker, getting back to the MP pension plan and the need to address it and reform it, I would like to make a couple of comments on the speech of the member for Halifax and also a couple of questions I hope she would take the time to answer.

First of all, the problem with this is that the current Prime Minister said a year ago in opposition that he would reform the pension plan in one day given the opportunity. Now he has been there for a year and has not reformed the pension plan in that one day as he promised. It is in the red book what he would do, the 55 years, the double dipping.

We would support that except we would expect the age to be 60, not 55. We would go further and get into the area which we feel annoys the taxpayers of Canada which is the fact that whatever it is that a member of Parliament contributes, why is it that the taxpayers have to contribute higher than that. Why is it that the taxpayers are expected to foot the tab for this generous, self–serving, gold plated pension plan? Why is it not just a matching contribution?

Does the member for Halifax not agree that the government's share of the contribution should not exceed a member's share to restore respect in the private sector and to restore the confidence of the Canadian public? That is one of the changes that we would make in addition to what is in the Liberal red book.

Also, does she not agree that 55 is not high enough, that it should be 60? It would help to make it more actuarially sound and it would be more in line with the private sector. If a member wishes to draw it earlier than that age then they would get a reduced amount as in similar plans.

All we are asking in our motion is to rectify a wrong. It is clearly wrong. It clearly annoys the Canadian taxpayer and all we want to do is address that portion of the MP compensation which is too generous, not the MPs' salary which is too low.

If we looked at it why can this government not find a balance between too much and too little? Why can this government not find a balance between good government and self–serving government? Why can this government not find a balance and do the things it said it was going to do when it was in opposition? Now it is on the other side and it is not doing them, or it is doing opposite. This is what frustrates taxpayers. This is what concerns people.

The last question is does she not agree that the government plan is better than that of any in the private sector? Politicians, members of Parliament, belong to an exclusive club of only 295 people, which is probably about 30 too many. There should only be 265. Now they plan to increase it to 301 because they work so hard. Does she not agree that if we have a better plan than that of the private sector is it not somehow embarrassing to her that she has something, or that a member of Parliament has something, better than that which is out there? We come into this job willingly. We know the sacrifices. We know what we are getting into. If we cry about what we are going to lose when we leave—the member did not, I am referring to some other Liberal members who made that point—and cry about what we are going to see out there when we leave, then we should not become MPs in the first place.

• (1230)

Those are my comments. I am trying to be reasonable. I am trying to ask for support for this motion. It only supports what the Liberals promised. We want action before 53 more members qualify under the current rules. We want the current MP pension plan to be changed. Why does the government not act?

Ms. Clancy: Madam Speaker, I thank the hon. member for Calgary Centre for his question.

In the past the former third party in the House, the New Democrats, used to be called Liberals in a hurry. I am not quite sure how we would make that correlation to the Reform Party members opposite, but I am not quite certain if they understand what happened yesterday. They know that 52 of us, I believe—the member for Beaver River does not qualify until March 13—became eligible yesterday. I am not being funny. I am being absolutely straight with the hon. member. None of those 52 people are going to retire overnight.

Miss Grey: No, but they are eligible.

Ms. Clancy: I am eligible for a lot of things. I could enter the Olympics. I am eligible. I am breathing but I probably would not do very well.

Mr. Silye: For what you have contributed you deserve a million dollars when you leave here?

Ms. Clancy: No, no, let me answer the question. The hon. member posed a question. Let me answer it.

First and foremost when the hon. member asked me the question, he opened the door and I am going to walk through it.

Miss Grey: Yes, you just did yesterday.

Ms. Clancy: Yes, I did. The answer is that we made a red book promise and we will keep the red book promise.

Mr. Abbott: When?

Ms. Clancy: When the Prime Minister and the President of the Treasury Board are ready. Our mandate is not going to end tomorrow. We are here. Much as the Reform Party may not like it we are here for at least another three years, maybe four and probably longer.

Let us talk about what Canadians want. Need I remind my hon. friends opposite, Canadians sent 177 of us to this House, a clear, overwhelming majority.

Miss Grey: They sent 178.

Miss Clancy: No, 177 and it went to 176. I know the numbers, I won a pool. They sent us in an overwhelming majority to this House based on the red book promises. The red book promises will be fulfilled. I know that, the minister knows that, the Prime Minister knows that, and in their heart of hearts the members of the Reform Party know that.

Heaven knows, if there is one thing I do not want to be in this debate it is partisan but I may get driven to it. If I get driven to it I will have to arrive there. I am driven to remind hon. members opposite that not only did the Canadian people send a clear majority of Liberals to the House based on red book promises, including the one we are talking about here, but does anybody remember the 75 per cent approval rating in which the Prime Minister is held by the people of Canada today? Does anybody remember that? I do not know but there we are.

It hurts me to bring this up. It cuts me to the very quick to have to bring this up in debate. I am almost embarrassed to bring it up in front of the President of the Treasury Board because I am afraid it will diminish his hitherto good opinion of me. Does anybody remember that there is a party that is at 10 per cent in the polls? There is a Prime Minister at 75 per cent with a government at somewhere in excess of 60 per cent.

Mr. Silye: Mary, the election is in three years, so check that poll later.

Ms. Clancy: Exactly, the election is in three years. How grateful I am to the hon. member for Calgary Centre for bringing that up. There are all kinds of promises in the red book that will be fulfilled over the life of the mandate, including this one. I want the hon. members opposite to be calm, to not worry, to be happy—

Mr. Silye: Why was the Prime Minister in a hurry a year ago and now he is not in a hurry? Why the change? That is what is hurting. That is the perception that is wrong.

Ms. Clancy: Did he say which day? He did not say which day. The day will come and it will be a day that the Lord hath made and He can be happy and rejoice therein.

• (1235)

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, I remind the hon. member that I knew of a party once that used to brag about its high standings in the polls. We all know where it is today. That may be interesting information but in and of itself will not get anybody re-elected.

The hon. member spent a considerable part of her speech defending what she perceived to be a personal attack on the member for Glengarry—Prescott—Russell. As I heard the speech from the member for Kootenay West—Revelstoke he was really quarrelling with some very specific things that the member for Glengarry—Prescott—Russell had said.

The most ridiculous thing he said was that it could be demonstrated that a private kind of RRSP purchase would be less generous to him than the current MP pension—

Miss Grey: More.

Mr. Harper (Calgary West): Sorry, if it was more generous, he would resign.

He actually suggested it would be more expensive if the public put us on RRSPs in a 1:1 matching arrangement. We know the current plan is a 6:1 matching arrangement. With all her rhetorical eloquence, is the hon. member seriously suggesting that she can make the number six less than a one?

Ms. Clancy: Madam Speaker, there is a long time theory about women and their inability with mathematics. I can assure the hon. member that mathematically I am challenged.

I neither heard the speech of the hon. member for Glengarry—Prescott—Russell—

Miss Grey: I am too, but I can figure out 6:1.

Ms. Clancy: I am sure the hon. member for Beaver River probably can do that. As a teacher she is trained to do it. As the hon. member so kindly put it I am trained in rhetorical eloquence. I will keep to my job.

I did not hear the speech of the hon. member for Glengarry—Prescott—Russell. I did hear the comments of the hon. member for Kootenay West—Revelstoke. As I made very clear, I was making a statement about the contribution as a member of Parliament of the hon. member for Glengarry—Prescott—Russell of his years both provincially and federally and the fact that he deserved to be heard without his motives being questioned, pure and simple.

The Acting Speaker (Mrs. Maheu): I wish to inform the House that pursuant to Standing Order 33(2) because of the ministerial statement, Government Orders will be extended by seven minutes.

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Madam Speaker, the motion before the House today reads as follows:

> That this House urge the government to replace the current Members of Parliament Retirement Allowance plan with a pension plan that reflects the current norms for private sector pensions, with a maximum contribution in accordance with the Income Tax Act.

Its wording is extremely vague, when it refers to current norms for private sector pensions. Which private sector pensions? Are we talking about the pension plan for executives at General Motors or Chrysler Canada, or about the pension plans of employees of small businesses in East Montreal? The standards are not at all the same. The wording of the motion is definitely unsatisfactory, and if the wording is unsatisfactory, we can assume that the substance is as well and that the motion leaves much to be desired, as it will in the course of this debate, especially in terms of what is said by the motion's sponsors.

• (1240)

We in the Official Opposition feel that the pension plan for members of Parliament cannot be dissociated from the issue of members' salaries or the entire budget envelope that is allocated to members.

If members were paid $200,000 annually, as they are in the United States, it would be obvious that a pension plan if any, should be very modest in scale. However, when a member's salary is quite low, as may be the case today, it makes sense to have a more substantial pension plan. The two go together. We cannot separate these issues like the compartments they have in submarines to keep them from sinking.

I think it is just petty politics to take an issue that is already controversial and say: "Look at those people in the House of Commons. They are overpaid, they have too many benefits and privileges, they have a shoe shine service, they have people to cut their hair—" and other people to split hairs. I think we have to take a far more comprehensive view, and that is the approach we support.

We can afford to be very detached about this issue, Madam Speaker, especially considering the role of the Official Opposition in this House and its life expectancy, in the light of its political views. So we have a certain perspective that others may not have, in the circumstances. Of course, members should be treated in a way that is commensurate with their responsibilities. To claim, which is petty politics in my book, that members of Parliament are overpaid and make such a pronouncement out of the blue, based on nothing, further erodes the role of MPs in our society.

There was no shortage of occasions in the past for demeaning the role of parliamentarians, a role which is often not obvious. Very few care about the number of hours MPs dedicate to their work, seven days a week. You know, Madam Speaker, 75, 80 and 90–hour weeks are not uncommon for MPs, but who is counting? So, the entire system, both the pay plan and retirement plan, should be reviewed.

We must also be able to attract quality candidates for the position of member of Parliament. My colleague from Glengarry—Prescott—Russell referred to the 1830, 1832 legislation which was in fact designed to allow any citizen, from the richest to the ones from the humblest origins, to have a chance of becoming a parliamentarian. It is not with this kind of abrupt rollback of benefits that we are going to be able to set the course and stay on course, one which is increasingly difficult to maintain.

One has to realize that, normally, MPs are elected to the House of Commons at the peak, so to speak, of their working life, when they are the most productive, building a career, whatever their line of work is. So, at the end of their mandate or mandates in the House, MPs very often find themselves in a vulnerable situation, especially since, as we know, the turnover rate among members of the House of Commons of Canada is one of the highest in Western Parliaments.

Unlike in the United States, where members of Congress serve some 20 years on average, Canadian members of Parliament serve between five and seven years on average, which is an extremely short time. We know what happens to members after they retire or fail to get re–elected, how difficult it is for them to find new jobs, for all kinds of reasons I will not get into at this time. But this is a reality members from all political parties must face. That is why we must make it a little easier for members

who retire of their own free will or who are forced to retire because voters have decided it is time for them to do so.

• (1245)

Because of their precarious position, members of Parliament must be given sufficient financial resources to get back on their feet after retirement or electoral defeat. There is however one thing on which the Official Opposition has always been clear, that is, when a member of the House of Commons has the right to collect a pension from the Government of Canada. We do not find it normal for a person who is barely 30 but who has completed two mandates to be able to collect a pension from the Canadian government immediately.

In our opinion, we should discuss the age at which former members of the House of Commons should be able to collect this pension, by comparing apples with apples. Let us look at how things are done at the RCMP and in the Canadian Forces. This could help us in trying to determine the age at which former members of the House of Commons should be able to collect their pensions.

Of course, we are also opposed to double dipping, that is, getting two cheques from the Canadian government. We think that this practice should be abolished. For someone who is already receiving a pension or an allowance because of their past services to the Canadian government to be allowed to continue to collect these cheques while sitting in the House of Commons is not normal either, in our opinion.

We do not intend to compromise on the age at which one may collect a pension or on what is commonly called double dipping.

To consider the issue of pensions, we must look at reality. Many members of this House or of previous Parliaments had a job in which they contributed to a pension fund in the company where they worked. When they came to the House of Commons, they contributed to its pension plan and stopped contributing to their other plan. Often, a member who leaves this House finds that he has contributed for a very short time to a private pension plan, so he will have to continue working for quite a while. He will be penalized because the pension fund is not transferable. We should look into this issue.

I do not think that we can solve these problems with an opposition motion. We will have to wait for a government bill to frame the issue so that we can really debate it.

We now have a five–line motion. I think that a fleshed–out bill should have quite a few more provisions and that a non–partisan review should lead to the government presenting a bill, as the Prime Minister said a few days ago.

• (1250)

Finally, we said that we could consider the government bill very calmly, but surely not in the heat of a debate that stirs passionate feelings against members of Parliament, in which people are led to believe that MPs are literally sucking the teat of state. The whole benefit package of members of the House of Commons, particularly their pension plan, must be the subject of a government bill that is considered as neutrally and objectively as possible, certainly not in the heat of passion and especially not one from people who told us at the beginning of the session that they would cut back their salary, or at least part of it, that they would give back 10 per cent of it and then said that they had made a mistake. "I have unemployed people at home and I cannot afford to set aside 10 per cent." Such an issue so easily inflames public opinion that perhaps we should avoid doing it.

For the reasons which I mentioned, the Official Opposition will vote against the motion before us today.

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, today's motion by the Reform Party is premature. The government is committed to honouring the red book commitments with respect to ending double dipping and with respect to dealing with the question of minimum age. Reform of the pensions is clearly a matter of interest.

[*Translation*]

Mr. Langlois: Point of order, Madam Speaker. I would like to know if the hon. member is speaking in the period for questions and comments or if he is opening the debate on the issue.

[*English*]

The Acting Speaker (Mrs. Ur): The hon. minister is on debate.

Mr. Eggleton: Madam Speaker, the government is committed to the reforms that were outlined in the red book with respect to pensions.

The member for Beaver River, a member of the Reform Party, the third party, is very premature and is wasting her time in presenting today's motion. It has been clearly said previously by the Prime Minister, the Deputy Prime Minister and myself that a presentation will be made to the House before the end of this year with respect to the government's plans regarding the matter of pensions.

One of the hon. member's colleagues mentioned that the Prime Minister had said in the days when he was in opposition that he could bring in the pension reforms in one day. He did not necessarily say it was going to be day one and it does not need to be day one of this Parliament. It does not need to be done with the kind of urgency the hon. member for Beaver River suggests it should be.

As has been stated time and time again in today's debate nobody is retiring between now and the end of this Parliament. Indeed, there are a lot of things on the government plate that relate to reforms in many areas that relate to the whole budget process. Those matters have a great deal more urgency than this matter.

Notwithstanding that, I understand how Canadians feel about the pensions and the need for reform. We have said that within just a little over one year of having taken office we will bring in a reform of MP pensions that is based on the red book commitments.

The red book commitments are to end double dipping. Those members of Parliament who cease to be members of Parliament would not be able to collect both their pension and another full time salary in government service. Whether they were employed in the government service or receive a governor in council appointment, they would not be able to be in full time occupation receiving a full time salary with the crown at the same time as collecting the pension.

• (1255)

That was amply demonstrated today. The bill is not yet before the House and of course it is not yet in effect. Nevertheless, the Prime Minister announced today that the designate for Governor General is a former member of this House and a member of the other house. He will be forgoing his pension while receiving the salary for being the Governor General of Canada. It is a voluntary compliance and the Governor General designate should be commended very much.

Once the law is brought into effect it will prevent those who do retire from this House or the other place from being able to pick up a salary as well as their pension scheme. That is certainly one of the very clear red book commitments. I again say that the government is committed to bringing in legislation and bringing it in early to end double dipping.

With respect to minimum age, again the red book talked about the concern that some members retire from this House at a very early age and collect a full pension. Some members collect it in their 40s, far earlier than the normal retirement age of Canadians. They collect it as an amount of money that would be supplementary to other remuneration they might receive in their new pursuits. It becomes part of a larger income that they then enjoy.

Canadians generally do not enjoy that kind of pension arrangement. A great many people have expressed their opposition and concern about it to me. This government again is clearly committed to dealing with a minimum age with respect to the pension payout for former members of this House. It is a red book commitment and something we will be dealing with very shortly. I reiterate there will be a statement before this House before the end of the year.

There is another thing which was not in the red book but has been added to this consideration. It responds to something the third party members raised earlier in the term. It is with respect to wanting to opt out of or not be included in the pension arrangements, whatever they may be. They want to have the opportunity not to participate.

Although that has not been an option up until now, the Prime Minister clearly stated before this House that members of Parliament would be given that option. Members of Parliament will have the opportunity to opt in to the pension plan in a timely fashion. If as the hon. member for Beaver River and her colleagues have been saying for some time that they do not want to do so, then they are free to not opt in to the plan. Members of Parliament can make their own decisions individually as to whether or not they want to participate in the plan.

A lot of members of Parliament give up some of their best earning years to serve the public. The pension plan for them is some further protection. It is one I know that will be given serious consideration by each and every member of Parliament.

I am sure even members of the third party will give it individual consideration. After all, they seem to be weakening in their resolve with respect to reducing their own salary. They are beginning to understand that they need that kind of money because of the hours they put in serving their constituents. They have to maintain residences both here and in their constituencies and they understand the cost of living and having to do that. They are weakening in their resolve with respect to this matter.

I suspect we might see some change of heart when it comes right down to having to make that momentous decision of whether you opt in to the plan and participate or whether you are completely out and completely unprotected.

• (1300)

I would not say completely unprotected because there are some colleagues of the hon. member for Beaver River who are in that double dipping category who have had previous experience in other houses and legislatures who collect money in addition to the money they gain from this House.

They know what double dipping is over there. I think they understand how difficult it is to give up remuneration. They will also find that they will have to give very serious consideration for their own protection, the protection of their families in the future with respect to the matter of pensions. Opting in becomes another feature.

There have been some suggestions and there are suggestions in this motion today, although I agree with my colleague, the hon. member for Bellechasse, that it is kind of vague. It is ambiguous and awkward in terms of its wording and it is

premature. They are wasting their time debating this today when the matter is coming before Parliament shortly anyway.

They are suggesting in the motion in their vague way that there should be some other changes to the plan. There was as study commissioned by the previous government by the consulting firm of Sobeco, Ernst & Young with respect to remuneration for members of Parliament. That in turn, when it was completed this spring, was turned over to a commission of this Parliament, the Lapointe commission as it is known. It deliberated on it as well.

Through the hon. Speaker the matter was tabled here in the House in July. That report talked about some other changes in the pension plan, suggesting there be some modifications to the accrual benefit package and a number of other aspects of it. It said quite clearly that members of Parliament were undervalued by many in terms of the work they do and in terms of the remuneration they should appropriately receive.

It did say that while there should be some reduction in the total benefit package for the pension, there should be an increase in the remuneration for members of Parliament and that overall it should wash. It should come out as an even package, up on the salary and somewhat down on some of the other provisions, including the pension benefits.

This Parliament has determined there will be no salary increases, not only for members of Parliament, but for the public service, because we are in a time of restraint. We are in a time when getting our fiscal House in order is of the highest priority, a time when we must get the deficit and the debt down. Therefore we cannot afford to give salary increases to anybody in the government system including, having to set an example, the members of this House and the members of the other place.

If there is no increase in the salary then it can well be argued how do we take a decrease in the other parts of the compensation program. We would violate the principle of the Lapointe commission and the Sobeco, Ernst & Young study, which was to maintain the level of compensation but make adjustments internally. Obviously we are not in a position where we can do that. When that day does arrive we can again look at that package of suggestions as to adjustments that might be appropriate.

The final point I want to make is in relation to the vesting period, because much has been made by the third party on the vesting period. Yesterday six years arrived for 52 members of this House with respect to qualifying for their pensions. I want to point out very clearly that vesting does mean that as of now they are being paid out. Vesting means qualification to be paid out, but they are not going to be paid out. They are members of this Parliament. Nobody is planning on resigning or retiring. They will be here for another four years before the hon. member for Beaver River would have to really worry about their collecting that pension.

Yesterday was the qualifying period for them. It is a six–year qualifying period. That is not an unreasonable length of time as a qualifying period for a pension plan. For average Canadians it is frequently less than that. It can sometimes be two years or three years to actually qualify for the pension. When it is paid out is another matter. To qualify in this particular case takes some six years to do. There is nothing magical about yesterday. It was not an occasion that should require this kind of debate today.

• (1305)

There is a qualifying period that has now been met by another 52 members of this House. With respect to the matters of how the pension is paid out and when it is paid out, those are all matters that are still under consideration and are not in any way prejudiced by what happened yesterday. Not one iota has anything changed by what happened yesterday.

That is something you do not seem to understand and you are certainly misunderstanding this. It does not help Canadians when you make this point about the vesting period.

I think it has to be understood quite clearly that six years to qualify for the plan is far different from when you pay it out and the ages you pay it out at. Those are all matters that are going to be dealt with by the government in living up to and completing its obligations under the red book commitments that we have agreed we would do, and do it in a timely fashion, do it long before anybody is going to retire from this House, long before you need to worry about any payouts.

There are more substantive concerns at this point in terms of payouts that relate to getting the deficit and the debt under control, getting the deficit down to 3 per cent of GDP. There is a program review that is going on. There is the social security review. We have gone through a defence review. We have gone through a foreign affairs review. We are reviewing everything. We are reviewing the size and shape of government, the roles and responsibilities that government performs. It is a very major undertaking, so this government does have a lot on its platter.

Notwithstanding that, the government is quite cognizant of the concern of the hon. member for Beaver River that we deal with this at an early stage, and we are dealing with it at an early stage.

This year the sitting of this House has almost a month to go and it is certainly my hope that in that period of time I will be able to rise in the House and advise as to the implementation for the red book commitments, specifically dealing with those items of double dipping and minimum age which we are committed to reforming.

I am hopeful that the hon. member for Beaver River and her colleagues will support the government in its endeavours to do that. I know Canadians want to see reform of MP pensions and we are committed to doing that.

Miss Deborah Grey (Beaver River, Ref.): Madam Speaker, we are certainly prepared to look at any legislation that the government does bring forward and if it is worthwhile and supportable we certainly will support it.

The Prime Minister has talked about opting out and this minister just mentioned it a few moments ago. He would give the opportunity for some people to opt out if they wish.

I beg the minister to explain to me how that could be ultimately fair in terms of making substantive changes to a pension program. In other words, some may opt out but the rest will continue to pork out. Is that what I understand? Those people who are still in an overbloated pension system because they have qualified now would just continue to pork out while some people would opt out. I hardly think that is a major reform of the MP system.

The minister also said that these MPs who qualified yesterday will not retire tomorrow. Of course not. We are not assuming that these people are going to retire tomorrow. That is not part of this argument. It is superfluous to it.

He said there was nothing magical about yesterday. There was something magical about yesterday and it is that if this government had acted on what the Prime Minister talked about last August when in opposition, if these changes had been brought about before yesterday, the six–year magic marker of qualification or vesting date, then for example my friend from Halifax who is in her 40s would not qualify for an MP pension until her 50s, which is what the red book says.

It talks about deferring the age. It talks about bringing it more in line, ending double dipping, putting it off to a later retirement age.

• (1310)

Someone in their 40s would now qualify. That is magic to me, that is lotto for life, just as simple as pie yesterday that these people qualify. If the government is even thinking of moving this further to a retirement age I do not understand how he can say that there was absolutely nothing magical about yesterday. They are eligible now for pension. We are not saying they are going to go out and collect it right away either. That will be after the next election date, whether they choose to resign or whether the taxpayers in their ridings choose for them to resign. It will be one way or the other.

It is also really important to note that when that day the minister talked about earlier does arrive they will be eligible to collect a pension also. When a government contributes $6 to $1, as my friend from Halifax said earlier, it does not take a mathematical whiz to figure out that this is the most generous kick in for employer–employee benefits. It is almost $6 to every $1 that we contribute. There is no way that is actuarially sound. We can have that proven time and time again.

The minister says they only became eligible for pension yesterday, there was nothing magical about it whatsoever. If they brought it in before those 52 MPs qualified for it yesterday afternoon they simply would not be eligible today. If the government is going to make substantive changes to this MP plan it should make sure that it would affect the people who qualified yesterday.

What part of eligible does this minister not understand?

Mr. Eggleton: Madam Speaker, I am afraid that the hon. member for Beaver River just does not understand vesting because she talks about if the government had brought in legislation before yesterday then somehow yesterday would have meant nothing. That is not true at all.

The vesting period is not to be confused with benefit payout. We could bring in a minimum age with respect to benefit payout and it does not hinge on what the vesting period is. That is all yesterday was related to.

The member is in a rhetorical fantasy about what yesterday was. It really does not relate to the question of benefit payouts and the age they are paid at.

This government knows full well that Canadians are concerned about people collecting a pension when they are in their 40s, that they are collecting a pension far earlier than any other Canadian and we are going to deal with that issue. What happened yesterday is of absolutely no consequence in dealing with that issue.

We intend to continue to allow these people to qualify. Why would we do anything else? The hon. member has her qualifying day coming up sometime before long.

Miss Grey: March 13.

Mr. Eggleton: She knows it is March 13. She is obviously very interested in the date.

Let me also deal with her favourite possibility and that is to be able to opt out so she cannot reach her day. I wonder if she is really going to decide not to allow March 13 to happen. She can opt out. The Prime Minister has said that we will provide a provision that you can opt out or maybe it will be opting in. It will be one or the other. It will work out the same way. You might actually have to opt in. You may actually have to sign a piece of paper saying that you want to be into the plan. However, you have that opportunity. If you feel that you want to save the Canadian taxpayer that money then it is up to you to do that.

I would not cast aspersions on other members of this House who decide to opt into the plan simply because they are understanding that they put a lot of years into the public service. They have the obligation, as any Canadian feels they have, to protect themselves and their families in their retirement years. I would fully expect that most members of this House would want to continue to be protected and be a part of such a plan.

Revisions to the plan to make it a better plan, to reform it, to make it something more reasonable as Canadians are expecting us to do and as we are promising to do, will all be part and parcel of it.

• (1315)

Miss Grey: You are still getting it in the 40s.

Ms. Catterall: He did not say that.

Mr. Eggleton: No, no. I did not say that at all. I do not know how many times I have to say that we are trying to respond to the concerns of Canadians about a pension being paid in the 40s. We are going to respond to that in our reforms. The member does not seem to want to understand that.

Miss Grey: Then Mary should not qualify in her 40s.

Mr. Eggleton: The plan is actuarially sound, if she is concerned about the 6:1 ratio. It is also worth pointing out that the contribution rate is very high by members, an 11 per cent contribution. A lot of money is put in by each individual member.

The hon. member should not confuse vesting with benefit payout. We will be dealing with the question of minimum age for benefit payout. Vesting is a qualifying period of time. It is actually a higher qualifying period of time than what most Canadians have in their pension plans. I do not see why it should be of concern to members of the third party at all. They have really picked on the wrong thing.

They have done this prematurely. They have picked on the vesting period because they do not seem to understand that it does not relate to benefit payout. They do not seem to understand that the government is going to live up to its red book commitments, but it is.

Ms. Catterall: Open your ears, Deborah.

The Acting Speaker (Mrs. Maheu): Order. The member has a question for the minister.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, the minister says he understands Canadians and that our effort is premature. I wonder if he really understands Canadians. I have done some research for members who choose to opt out. In my situation at age 52, if I choose to opt out at the end of six years and turn over the funds that have been confiscated from my salary by your government and invest them with a life insurance company, I will have an income of $380 a month, versus a member of the Liberals who will have an indexed income of $1,500 a month.

Mr. Eggleton: Madam Speaker, the member's figures are presupposing what is going to be in the bill we bring forward. I do not think he can presuppose that. He does not have to worry about the money that he wanted to take off and invest. If he does not opt into the plan, then he can be comforted by the fact that it is going directly to the bottom line. He will not get it. It will go directly to the bottom line to help reduce the deficit of the country.

Mr. Abbott: And pay other MPs.

Mr. Eggleton: That is the option you have. If you do not want to look after your retirement, as most Canadians do, if you want to be reckless, you can do that. But we are going to give you the option to do it.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, it has been a rather interesting day. I have sat through most of the debate and to be very candid, just about every point that needs to be raised, has been raised. I was particularly interested in the minister's comments.

The minister has just finished saying that he understands Canadians, that the Reform Party in trying to bring pressure on the government is premature. I do not know if it has anything to do with the fact that even within his own party there is a democratic process that is filled, where people work through their nomination process to become candidates and then on through the actual election process, and whether having been an appointed candidate he rather lost touch with Canadians during the process. There is a real lack of understanding on the part of the government of the level of frustration. I reflect back to a debate we had in the House of Commons in March. That was the time when the Liberals were having their convention. We had brought the debate to the floor about the Young Offenders Act.

• (1320)

According to all of the comments by the members opposite, the only constituencies that had any concern about the Young Offenders Act were the constituencies represented by the Reform Party. That is what we were told all day long. "Oh, you are just being extremist, you don't know what is going on".

I found it rather instructive. Over that weekend, when looking for something to put me to sleep I turned on the Liberal convention on television. Before I dozed off I happened to notice that most of the people who had come to the Liberal convention were saying that the biggest problem they had in their constituencies was the Young Offenders Act. Lo and behold, Madam Speaker, you will never guess what was the next bill that the justice minister brought in. It was weak and ineffective, but none the less it was movement on the Young Offenders Act.

Where did he get the idea from? Somebody said from the red book. Why is it that it took the Reform Party to draw to the attention of the members opposite the fact that the people in our constituencies, and I submit in their constituencies as well, were upset in a very major way over that act? It is still totally deficient.

It comes as absolutely no surprise to me that members opposite are equally out of touch over the issue of MPs' pensions.

The member opposite asks why don't I read the red book. I talked about needing things to put people to sleep. That is an excellent idea. The red book, in my humble judgment, is a catch all of just about everything written in so much bafflegab that you can actually make it appear as though what the finance minister is doing and must be done, and that is to get the deficit and the debt under control, was actually part of their platform.

Every single Liberal member whom I have asked: "Did you in the election in 1993 stand up and say that the deficit must be brought under control? We must take a look at all aspects of the economy". The answers all were: "Well, it's in the red book".

This is exactly the same thing. We have brought this topic to the floor of the House of Commons for the simple reason that the people of Canada expect better from the politicians they elected. We are here to drive, to push, this monolithic giant of 177 seats and the Prime Minister and the cabinet ministers to finally, after 400 days do what the Prime Minister said he was going to do 400 days ago.

He said it would only take one day to do it. What happened? Why is it so much easier for the Liberal government to blow away $5 billion worth of work on EH–101 helicopters? Why is it so easy for the Liberal cabinet to blow away hundreds of millions of dollars of work on the Pearson airport deal, and yet it cannot do a simple thing like change the MPs' pensions?

The thing I find the most frustrating, and I realize that I have already said it, is this. I agree with the member for Halifax that this job is one of the most exciting, one of the most worthwhile things that anybody in the House could possibly be involved in as far as their work is concerned. I do not disagree with her for one second that virtually every member of the House puts in hours from 7 in the morning until 10, 11 or 12 o'clock at night and keeps on serving the people of Canada. I do not disagree with that for a second.

I agree with the member for Glengarry—Prescott—Russell that this is an honourable calling. Why will the government not listen to what the ordinary citizen is saying? My colleague from Kootenay West—Revelstoke has pointed out that he worked for 22 and a half years in the pressure cooker of being an air traffic controller. After all that time he qualified for a $17,000 pension. The person he replaced worked his nine years as a member of Parliament and he qualified instantly for a $27,000 pension.

• (1325)

Why is it so difficult for the Liberals to understand the extreme hostility there is toward us as we work hard on behalf of Canadians, as we work hard on behalf of our constituents? Why can they not understand that this is the one barrier that stands between us and our constituents? Why could they not have made the changes? We do not seem to get any answers.

The member for Glengarry—Prescott—Russell quoted from the *Hill Times* in February 1992. We all know being in Ottawa that the *Hill Times* is a fine paper and puts out all the facts as they should be and is well received every Thursday with all the factual documentation that there is in the paper. However it is a paper that is read only or almost exclusively by people who are involved with the Chamber in one way or another and to quote an editorial in support of obscene pensions is just beyond the pale.

What he should have been reading from are the editorials from the Vancouver *Sun*, the *Globe and Mail*, the Calgary *Herald*, the Ottawa *Sun*. I can go on and on. This must be changed and it should have been changed 400 days ago.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, I am delighted to address the subject of MPs pensions today but my perspective has changed over the last year and I want to describe the change for members.

Just one year ago I campaigned long and hard against the gold–plated pension plans that members receive, which was easy to do since I was not at that time eligible to receive one. Today I stand in a far different position.

For a year now, I have experienced the trials of living far from home and family, the extra expenses of being a member of Parliament and the very demanding schedule that an MP must follow. In short, my whole heart and soul has been required of me this past year.

Members would be right to ask if my perspective has been altered by this reality. Under the current system, if I remain here in the House for five more years, I will be eligible to receive a pension. I am not alone. Over 200 new members will be eligible for an incredibly generous pension after just six years.

Most of these new members campaigned to change the pension plan, a task we could accomplish today if our resolve for change is not softened in one short year. While my perspective has changed over the last year, I have certainly not lost my desire for reform. I still believe that our pension plan needs change. Change at the top is essential to provide an example for the rest of the nation. I want to make a few proposals today that would bring our pensions out of fantasyland and into the real world.

I would also point out to all members that it is a mark of integrity to desire change even if it hurts so I am happy to see that Reformers at least are still speaking out on this issue, even though it could cost them a significant part of their future income. This is a mark of integrity and the electorate will remember it.

Allow me to set the stage for a moment so that we can all be clear about what the pension plan offers to members of Parliament. I would like to quote from a major international study on parliamentarian's compensation called the Sobeco report which was tabled in February of this year.

This is what a retiring member of Parliament receives: "The pension plan provides the payment of a retiring allowance to any person who is an MP for a period of at least six years. This lifetime pension commences as soon as a member ceases to hold office regardless of age".

It goes on to read: "The amount of retiring allowance for a member is equal to 30 per cent of the average sessional allowance after six years as a member and increases by 5 percentage points for each additional year to a maximum of 75 per cent after 15 years".

• (1330)

This means that a lowly backbencher or an opposition member like myself could walk away, after being re-elected just once, with a pension of about $20,000 a year for life. For a few members of Parliament who are very young, this benefit would indeed be of great value. Cabinet ministers who have a higher salary of course fare much better. In 1993 the average pension paid to cabinet ministers was almost $49,000 annually. Former Liberal Prime Minister John Turner is receiving $85,000 per year for life.

The study also notes that the pension is indexed after age 60. It goes on to say that members pay only 20 per cent of the value of the plan while federal civil servants contribute 40 per cent to their plan and private sector executives about 35 per cent. The pension plan is more generous than those in the private sector and even in the broader public sector.

I mentioned that the Ernst and Young study was an international study. How do our pensions compare with those in other countries? Our system is exceedingly generous. Only Australia and Belgium top our pensions. In fact our pensions are triple the pensions that politicians in the United Kingdom, Sweden and, yes, even the good old United States of America receive. Not only that, but no country allows the payment of a pension as early as Canada does. In fact the payment of a pension before the age of 52 is possible only in Sweden and Australia. In the U.K. you have to be at least 60. In the United States a politician must work for 25 years before getting a pension.

Finally, how do we compare with the provinces? Only the two most generous provinces, Ontario and British Columbia, offer comparable pensions but there is a major difference in the cost to the taxpayer. That is that provincial members are not eligible for a pension until they are at least 55 years of age in Ontario and 60 in B.C. Can you imagine the difference in cost to the taxpayer between receiving a pension from age 30 and receiving it from age 60? The cost differential is of course enormous.

Listeners will not be surprised to find out that just a month before this study was tabled the government commissioned a completely new study called "Democratic Ideals and Financial Realities" that looked at all the same things. This is because of a statutory requirement that the compensation of MPs must be reviewed at the beginning of each Parliament which is a wasteful law that should be abolished as far as I am concerned.

However, I would note that the commission's report arrives at virtually the same conclusions. I do not know how much that report cost but it is the same.

There are really only a couple of principles that should guide us on potential pensions for members of Parliament. First, the pension should not offer to members benefits that are unavailable to other Canadians. For example, it must have a maximum contribution level equal to that of other Canadians. Pensions should pay benefits at retirement age, not when a member is 45 or even 35 years old, but 55 to 65 like others. The MP pension plan should be the same for all members.

I hear that the finance minister may soon allow members to opt out of the plan. I still believe this is wrong. Some members will opt out but the rest will be allowed to remain with the current plan which means that after a long communication strategy in trying to sell what they are doing and much bragging about change and options and all the rest, most of the MPs, especially across the way, will remain at the trough and taxpayers will be even more sceptical of their members of Parliament. As usual, the more things change around here the more they will stay the same.

Double dipping must be eliminated. By that I mean that a retired member must only receive one benefit at one time from the federal crown.

Pensions must be actuarially sound where the money going into the plan equals the money being paid out of it. I would remind members that the unfunded liability of our pension plan at the end of 1991 was $12.2 million and that was after the government topped up the fund with 158 million taxpayer dollars earlier in that same year.

The second broad principle is that our pension plan must show how members are willing to lead by example when it comes to government belt tightening. It is no surprise that when Premier Klein started to cut back on government expenditures, a move promised but not yet delivered by this government, the first thing he did was to abolish—he did not scale it back, study it,

consider it or talk about it—the MLAs pension plan. Only then did he move on to work on other government programs.

A good leader only asks of others what he himself is prepared to do. Government members would do well to heed this management principle. The words of comfort to university students and UI recipients facing cutbacks will ring hollow indeed if members choose not to lead by example.

A wise saying applies here. It goes like this: "Your actions speak so loudly I cannot hear your words". Let us put the empty rhetoric aside and start a massive overhaul of our pension scheme starting today.

• (1335)

Finally, we come to the solution. What do we offer MPs who give their considerable time and effort to serve their country? We want to be fair and equitable. I think we need a pension plan that is comparable to private sector pensions, but which ones I suppose you could ask. There are all sorts of pensions in the private sector. I think we need pensions comparable to those that are available to private sector executives, for example.

Private sector executives get where they are because they display talent, ability and commitment. They are rewarded according to their performance rather than their seniority. They make major companies work and prosper in this country and they compete with the best in the world.

We want to be able to attract this kind of talent, this kind of person to run for Parliament. We need top flight, private sector individuals to make our country run. Not only do people sacrifice careers and time, privacy and family and other things to become elected officials, they also take a drastic cut in the salary portion when they enter Parliament.

Since the salary range for members is already lower than the salary range for private executives, there are few other things that Parliament can offer them in the way of compensation. There are fringe benefits, I suppose, such as a certain amount of notoriety or prestige. Thankfully, this costs nothing to the taxpayer and it is at best a double–edged sword since it also means a corresponding loss of privacy.

Another benefit is the personal satisfaction derived from having direct influence on government policy. Yet another compensation might be the pension they would receive. I think MP pensions need to be as generous as possible while remaining within the industry standard for those types of people.

It would be fair for government to match the contributions of members like other civil servants rather than paying two and a half times what MPs currently contribute. I remind the House that the public service pension fund is in fact overfunded through employee contributions by a large margin. There should be no special deals, no long term obligations that would cost the taxpayer exorbitant amounts of money, just a fair deal that would allow MPs, like everyone else, to plan their future with a minimum of government involvement.

Canadians have a right to demand an end to the current plan. It is an issue that crosses party lines. Let us not grant ourselves special privileges. Let us lead by example and use this opportunity to restructure the current plan. By doing this I believe we can take a step toward restoring the confidence of the Canadian people in the integrity, the equality and the leadership of all members of Parliament.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Madam Speaker, I want to ask the hon. member for his party's views on double dipping when it comes between levels of government. I know his party's position is against double dipping as is ours within the same level of government.

One of his colleagues, and I will not mention names, does draw a pension of $61,000 I believe and now is getting a salary of $64,500. This gives him a salary of $125,000 plus a year. What is his party's position and his own position on this kind of cross level of government double dipping?

Mr. Strahl Madam Speaker, I only have to suppose which member the hon. member opposite refers to. Let me talk at least in the broad principles. A couple of things are fairly obvious. If a politician gives 25 years of service to a province or to the Government of Canada or to the Chamber here, that in itself is a considerable difference than the six year minimum that is currently available here in the House.

One thing is the length of time it takes to qualify for such a pension. I think 25 years is significantly different than six years. The other is that there should really only be one pension paid to that individual. I know in the case he is mentioning that has already been made obvious. The member will not be receiving another pension from this level of government since he has already put in 25 years of service in the position of an MLA. I think that is a very honourable and noble thing he has done. It is another leadership by example as he explained it well in his constituency. He has made it obvious that he has refused. He has written across his forms that he will refuse any future parliamentary pension because obviously as the member has pointed out, one pension is certainly enough for any one individual.

• (1340)

Mr. Harper (Calgary West): Point of order, Madam Speaker. The smart–ass question which we just got—

The Acting Speaker (Mrs. Maheu): That is not a point of order.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, the previous speaker from Fraser Valley East talked about a number of issues on which I want to comment. I also have a question for him.

The hon. member commented briefly on the opting out issue. Canadians should understand that the opting out provision he is talking about has nothing to do with the question that has been raised by this government in its policy or in fact by the proposals the government intends to bring forward.

The opting out was a ploy by the Reform Party simply to get press attention. It had absolutely nothing to do with a legitimate option. The Prime Minister did say if members want to opt out of the pension plan he would allow it. It is not being proposed for members of Parliament.

Second, the member says we should lead by example and that we should have no special privileges. I think that is a fair statement to have made. However, members of Parliament on all sides were elected knowing what the compensation package was and knowing that the Liberal Party had proposed two changes to the current government pension program. The first change was to end double dipping. The second change was to reconsider the age at which members of Parliament would qualify to receive benefits.

Members of Parliament knew that. They ran for public office knowing what the compensation was specified to be.

Now members are saying there should not be special privileges. I wonder if the member would agree that in fact it is not a special privilege but a right of any member of Parliament to know what their compensation is, what they are running for, and what they are going to have to plan for. I wonder if the member of Parliament, the previous speaker, would care to say what exactly he feels members of Parliament should be paid and if in fact, as he suggests, there should be no pension plan or something comparable to what is offered in corporate life.

It is only fair that Canadians understand that there is a compensation requirement.

Mr. Strahl: Madam Speaker, a couple of points were raised, one being that certainly members on the one hand should know what they are running for when they seek candidacy. We ran under one set of rules. We are going to change them. They are in flux so they are going to change.

I do not think there is anything wrong with changing them on the fly, as it were. I think Canadians have been demanding that. Polling will indicate that this is a very poorly received plan as it currently stands.

The other thing is on compensation. I know the members across the way have consistently tried to make some hay out of this but the Reform Party has never felt that the pay package is too generous for members of Parliament. It is the pension plan. Again and again we say we are talking about the pension plan which is too generous the way it stands and six years is too quick to make that much benefit.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, this has been a valuable and informative debate because the government is committed to reform of the pension plan. It has taken this commitment by members of the government party very seriously and we are in the stage of discussion and dialogue and testing out ideas. It is quite clear that this problem can be resolved before the next general election.

Although hypothetical cases have been cited of members who could resign tomorrow and acquire large pensions, I do not think anybody is contemplating resignation at this stage. We have the time and we have to do this thoroughly.

It is also agreed that salaries and pensions are part of the same package and there is some disposition to think that members are underpaid but may be overgenerously treated in pensions.

• (1345)

That is the sort of balance the government must and will consider. Be assured of the one general consideration today that we act in the sense of doing equity to everybody and that members of Parliament suffer with the general public. Therefore in approaching the reforms we have considerations of this sort well in mind.

Some aspects were discussed during the election campaign. If they were not discussed in government papers they were raised at all–candidates meetings. It is interesting to note the consensus that develops easily enough on these considerations.

It is agreed that it is unjust for members of Parliament to receive pensions on retirement from the House while still young, active, healthy and able to engage in other activities. A commencement age at 55, I would have said 60 or 65, whatever the regular national pension scheme finally may be is correct and is equitable. That is certainly within the government's consideration.

The double dipping issue was raised during the election. All of us agree that the flagrant examples, and there have been several of them cited, are ones that arouse genuine public concern. Even if numerically they are not very large they do raise the issue of justice not merely being done but not being seen to be done. Equity must be done to all citizens. If there is one case of a former MP taking a large government job at an inflated salary then people are justifiably saying that is not right.

There are some complications in relation to this. I do not think they are insuperable. I think a member opposite said double dipping reaches only within the area of federal sovereignty. Sovereignty of course is indivisible. I myself would be interested in testing a declaratory judgment whether a ban on double dipping could not reach to pensions of members who have served in provincial houses or possibly at the municipal level. I raise this as a theoretical point, but theoretical questions can and

should be answered when they have practical consequences and if the practical consequences disturb the general public conception of what is right and proper.

I hope in considering revisions of the pension plan we will not merely consider barring former MPs from collecting their MPs pensions while they take on a judicial, civil service, ambassadorial or other post. I hope we will consider whether it should not in equitable terms reach out also to those who have taken pensions from the provincial domain or even from the municipal domain.

As I said sovereignty in classical theory is indivisible. I see no reason why artificial boundaries should be set up. Some might even raise the issue of whether civil servant pensions should not be viewed in the same way and when they are federal civil service pensions the logic becomes very persuasive and convincing.

I have taken note of the comments already made in the debate on the balance between contributions by members of Parliament and contributions by Parliament itself. This is one of the issues the government will be looking at in its revised plans for the pension scheme.

To be frank I have in mind one possible reform that would be crucially affected if there was more nearly a balance between the two contributions and that is the portability of pensions. Those of us who know the American system of government or those of us who have been familiar with universities or other public institutions will know that the principle of portability is very well assured.

People may serve at a distinguished university like the University of Calgary and then move on after a year to another university. It is a quite common practice for a pension right to vest after a year's service. It may not be very much. It may provide only for one good dinner at the Palliser Hotel or somewhere else but the principle is important enough.

It has always struck me as rather artificial that the pension rights vest after six years. That provides an inducement to members to serve a second term where it may be in their own best interests and the best interests of the country might better be served if they contented themselves with one term. Obviously if the pension contributions by one party, by Parliament, are out of line with the member's own contributions that sort of sensible reform as I see it tends to break down, or the logic for it tends to disappear.

• (1350)

On the indexing issue which has been raised, it is very clear that this enters into larger approaches to social security and the Canadian social security network. Obviously what is good for one category of society should be good for all categories.

We either move to a general system of indexing, which may be one way of facing inflation and the generally rising costs of living, or we have to move out of the areas where that exists. These again are well within the ambit of the government's proposals and the government's consideration of reform of the pension system and should be considered in that light.

This issue has been raised in the House and I think it is worth considering: Where and when will reforms begin? Can they be prospective only? Is there such a system as vested rights? Can you not touch what has gone before?

It is true that as a matter of constitutional law what we are dealing with is really only a constitutional privilege. That is to say Parliament has the full competence to apply any reform measures it may devise retroactively as well as prospectively.

If we were considering that, one thing to consider would be the condition of the earlier MPs who came in before the present pension system was devised. I am quite shocked to learn of some of the pension provisions for people serving from the 1940s, 1950s and 1960s, and some of them are still around, before the present scheme came in. These are really hardship situations.

Obviously there is a difference between what is constitutionally permissible and what considerations of equity would demand. Any revision by the government should perhaps include a look at these pioneer members of Parliament who retired before the present scheme came into operation.

It would obviously be easier in terms of general conceptions of what is right and proper to deal only with present cases, that is to say members elected in 1993. It may well be that the main thrust of the reform proposals is directed there.

There has been discussion of self–administered pension plans. A good deal depends, Madam Speaker, as you are very well aware, on the competence of those administering the self–administered pension plans, the financial advisers. We do need some more details here. If the opposition parties have suggestions they should submit them in detail into the debate.

Most members of Parliament whatever their other competencies do not have great expertise in this general area. One is reminded of the fact that many members of Parliament are lawyers. Frankly many lawyers have great difficulty in devising a pension plan that is fair to themselves.

The self–administered pension plan looks to be an easy way out. However it would have to be some sort of plan that would look to a co–operative unit within Parliament and that would require discussion among the parties.

These are my thoughts on what has been a fascinating debate. It has been a discussion of useful ideas which the government will certainly be taking into account in its announced reforms of the pension plan.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I am familiar with the member's riding of Vancouver Quadra. It is a riding not dissimilar to that of my seatmate and is in a fairly high income bracket with very professional people. I am sure the hon. member has probably been apprised of the fact on the part of his constituents that the whole issue of compensation for the member of Parliament probably is not an issue.

• (1355)

We could look at other ridings, for example the far eastern portion of Kootenay East where the coal miners have been put out of work. In the many situations where thousands of people are just barely getting by there is probably going to be a difference of opinion on the part of the constituents.

Notwithstanding that, the chair of the committee on social reform is one of the people who will be qualifying, as is the Minister of Finance. The University of British Columbia is in the hon. member's constituency. The human resources development department is saying in all likelihood that tuition fees are going to double.

In view of that, would the member not agree it would have been a very wise and prudent move on the part of the Prime Minister and the government to have made this move before these people were telling the students that their fees were going to rise from $2,000 to $4,000 and that by the way, there was an advertisement saying that the committee chair was going to qualify for a pension that in his lifetime has the potential of paying $1.4 million? Would the member not agree it would have been very prudent, expeditious and wise of his front bench to have made this move in a far more hasty manner?

Mr. McWhinney: Madam Speaker, I appreciate the thoughtful question from the hon. member. It is true that I have a very great university within my constituency. I met with the student leaders there. I met with the administration two weeks ago. I have also met with universities outside my constituency. For a number of reasons they have come to me to discuss their concerns.

I do not regard it as a consequence of the social security green book that university fees will go up. In fact, I have given my personal undertaking that I will do my best to see that whatever emerges under the social security green book proposals that consequence would not arise. It is not a necessary and inevitable consequence of the green book at all. Frankly, the remedies are more within the provincial domain and have very little to do with federal policy. That is a separate issue from the larger issue the hon. member raised.

It is true that in my riding the sentiment seems to be to favour larger salaries for members. This has been put to me by people who say they would never run for Parliament because the salaries are too low. Accepting the notion of a pension plan more in line for example with university pension plans in terms of balance of contributions would be acceptable. I see that argument and in fact, I accept it.

An hon. member: Should it have been done sooner?

Mr. McWhinney: I think frankly since the review is going on and since there is no urgency before the elections, it can be done in its proper time. I do assure the hon. member I accept that viewpoint too. I would rather see more balance in the pension and a different approach to the salaries, but there is no correlation between this and university fees. I do not accept as a consequence of the green book that fees will go up.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I am pleased to rise on the opposition motion concerning the members of Parliament pensions. The member for Vancouver Quadra has raised some very interesting points as usual.

I particularly want to note for all members that the government in its election platform and its statements in the House has said it will end double dipping and the age. Today the Prime Minister did show his commitment to make those changes when he announced the appointment of Canada's next Governor General, the Hon. Romeo LeBlanc. He further went on to say that the Governor General will draw a salary as a Governor General but will return his MP pension to the government as a sign of that leadership. That is outstanding.

The Speaker: Order. I understand the hon. member may have a little bit of time remaining when we return to the debate.

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REPORT OF THE AUDITOR GENERAL

The Speaker: I have the honour to lay upon the table the report of the Auditor General of Canada for the fiscal year ended March 31, 1994.

I remind hon. members that pursuant to Standing Order 108(3)(d), this document is deemed to have been permanently referred to the Standing Committee on Public Accounts.

It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

S. O. 31

STATEMENTS BY MEMBERS

[*English*]

NATIONAL PAROLE BOARD

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, my statement concerns the recent appointment of Mr. Willie Gibbs to the chair of the National Parole Board.

The Auditor General points out in his 1994 report that the method of hiring used shows a need for improvement and this was followed. Mr. Gibbs, a career corrections civil servant, was hired through a two stage selection process and face to face interviews.

This is the first time this type of appointment process has been held for National Parole Board appointments and we applaud it.

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[*Translation*]

OCCUPATIONAL TRAINING

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, the fifth anniversary of the Forum pour l'emploi du Québec has been an opportunity to stress the importance of occupational training and the integration of young people in the labour market. That occupational training should be patriated to Quebec has been agreed for some time by all political, economic and social partners. Only the federal government is still turning a deaf ear to these demands.

The Minister of Human Resources Development will have to admit that local initiatives will achieve their objectives once the federal government has given the provinces full responsibility for manpower training.

Why does the minister keep interfering with this sector, when he cannot even get good results with the measures he dictates from Ottawa?

* * *

[*English*]

PROTECTION OF CITIZENS

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, the history of this government to protect our Canadian citizens has proven to be dismal.

Kenneth Walker, a Canadian businessman, is currently being hounded on dubious charges by the United States government and our government refuses to assist him.

Victor Ostrovsky, a Canadian author, listened while a zealot being interviewed on a morning news show called for anyone to murder Victor Ostrovsky.

Why is this government allowing death threats toward a Canadian author and a businessman to go unanswered?

When the British author Salmon Rushdie was threatened with death, the British Parliament rose in one voice to condemn the country that promoted violence in the death of the British citizen.

Not only has silence shown the world that our Canada does not care or show concern for its citizens, continuing silence will confirm to radicals, zealots and foreign powers that any Canadian can be intimidated or killed without action from this government.

This government must show some backbone and speak out against threats of any kind against our Canadian citizens.

* * *

PROGRAM FOR OLDER WORKER ADJUSTMENT

Mr. Janko Peric (Cambridge, Lib.): Mr. Speaker, I would like to draw the attention of this House to a matter of grave concern to 22 of my constituents from Cambridge.

These constituents are former employees of Bundy Canada. They are all over the age of 55 and have received no income since they were laid off in 1991 due to problems with the program for older worker adjustment.

After numerous delays, my constituents are now being told that they must wait until the spring of 1995 for POWA designations and a resolution to this matter.

Many of these people have been forced to sell their homes, cash in their RRSPs and move in with other family members in order to survive. It is time that we returned some dignity to the lives of these people and relieved their emotional and financial distress.

I urge the minister to do whatever he can to encourage the Ontario government to agree to provide financial assistance to the affected workers under the current Canada–Ontario POWA framework agreement.

* * *

VIOLENCE AGAINST WOMEN

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, November is Wife Assault Prevention Month in the province of Ontario.

Statistics Canada says that one out of every four rural Canadian women is beaten. My riding of Lambton—Middlesex is primarily rural in nature. The fear and sense of isolation that every abused woman feels is compounded for abused women living in Canada's rural areas simply because rural living is more secluded and women feel they cannot leave the farm and farm business in which they are partners.

There is help for abused women in Middlesex county. The Women's Rural Resource Centre of Strathroy & area, which has offered protection for 200 area women over the last year, is also

conducting a rural outreach program for farm wives who are the victims of domestic violence.

● (1405)

In addition, the centre in conjunction with the Middlesex Board of Education is offering the services of a violence prevention counsellor for the children attending Strathroy's elementary schools.

We have to hope that proactive efforts like these will one day break the cycle of unacceptable domestic violence in Canadian households, both rural and urban.

* * *

SNOWMOBILING

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, with the snowmobile season soon upon us, I rise in the House today to pay tribute to the volunteers who make snowmobiling in my riding of Parry Sound—Muskoka an important part of the economy, supporting a large number of businesses.

Snowmobiling is enjoying an incredible resurgence and it is fast becoming the number one winter sport. The tremendous growth has turned snowmobiling into a $1.25 billion industry in Canada, supporting thousands of jobs across the country. Largely financed by the user pay system, snowmobiling relies on the support and dedication of its volunteers.

In Parry Sound—Muskoka close to 850 of my constituents volunteer their time. Across Ontario the number is 10,000 and across Canada there are a staggering 30,000 volunteers who support the snowmobile industry.

Volunteers are a valuable commodity. In my riding these generous people are helping us fulfil our goal of becoming a four season tourism destination through the increasing popularity of snowmobiling.

* * *

[*Translation*]

MATTHEW COON COME

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, members of the Bloc Quebecois were flabbergasted at the Prime Minister's lukewarm response to the inflammatory statements made in Washington by the leader of the Cree Grand Council, Matthew Coon Come, in referring to Quebecers and their Premier.

Why did the Prime Minister of Canada remain silent after these attacks, when his government immediately poured millions of dollars into helping lumber companies in Western Canada that were criticized for clear–cutting? The Prime Minister of Canada preferred to avoid alienating his ally in the upcoming referendum campaign. He preferred to humiliate seven million Quebecers instead.

During his trip to China, the hon. member for Saint–Maurice gave us the assurance he would personally defend the interests of Quebec. Where is the hon. member for Saint–Maurice now?

* * *

[*English*]

YOUNG OFFENDERS ACT

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, last week an acquaintance of mine driving in the mountains was stopped by a young man asking for help. He had suffered a car accident and his friend was still in the car badly injured.

When the police arrived my friend was surprised to find that the police were on a first name basis with this teenager who regularly steals cars, takes them up into the mountains and strips them before trashing them.

The police are more than a little discouraged. They continue to charge this fellow but under the Young Offenders Act nothing ever comes of it. A young criminal is still on the loose, more cars will be stolen and trashed and the teenager's friend is in the hospital with a broken back because the justice system does not have the guts to deal with young rebels.

This is just one more example of how the Young Offenders Act fails the young criminal, fails the innocent victims and fails the law–abiding Canadian public.

* * *

GUNTHER PLAUT

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, Rabbi Emeritus Gunther Plaut of Holy Blossom Temple in Toronto was recently in Berlin to deliver the convocation address at Humboldt University.

The rabbi, one of the world's most renowned theologians, was forced to flee Nazi Germany in the mid–1930s shortly after completing his Ph.D. at Humboldt University. His return there to give the convocation address marks the 60th anniversary of his receiving his Ph.D.

I know all members of this House appreciate the significance of this convocation address both for Rabbi Plaut and Humboldt University. The return in 1994 of a German citizen, a Jew, forced to flee from Nazi tyranny in the 1930s to address his German alma mater is a testament to how far Germany has come since the dark days of the Hitler tyranny.

In his address entitled "Asylum—The Moral Dilemma", Rabbi Plaut spoke of Germany's new, multi–ethnic face. He challenged Germany's young people to break new ground in tolerance and understanding and to forsake extremism.

I would like to take this opportunity to congratulate Rabbi Plaut on the honour of his being invited to give the convocation address at Humboldt University in Berlin.

* * *

GOVERNMENT OPERATIONS

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, today the Auditor General released his report reviewing government expenditures and operations.

As vice–chair of the public accounts committee, it will be my and my colleagues' duty on that committee to review and make recommendations to this House on how to improve the way governments do business.

While the opposition may magnify government misspending, we in the government party realize a more mature approach is to consult with the bureaucracy in order to resolve these problems.

• (1410)

One of the areas that was reviewed was that of our prison system. I would like to report that I attended Millhaven penitentiary only yesterday in an attempt to understand how our system could become more cost effective.

I believe if the opposition parties took the time to see first hand how taxpayer dollars were being spent they could made recommendations that were more practical.

* * *

[*Translation*]

INTERNATIONAL TRIBUNAL FOR CHILDREN'S RIGHTS

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, the International Tribunal for Children's Rights was inaugurated in Paris yesterday. The headquarters of this tribunal will be in Montreal. The promoters of this extraordinary initiative were inspired by the Convention on the Rights of the Child, signed in New York in 1990, where several promises were made on behalf of children. Today we still find children who are drug addicts, prostitutes, conscripted, enslaved and even victims of traffic in body organs.

In this International Year of the Family, I urge members of this House to support this initiative and I encourage and congratulate those who will sit on this tribunal. Bravo!

* * *

[*English*]

LACROSSE HALL OF FAME

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, in 1963 lacrosse enthusiasts in New Westminster, British Columbia thought that since the city had such a great lacrosse heritage it would be the ideal location for the Canadian Lacrosse Hall of Fame. It took some aggressive campaigning but it was worth the effort as the hall's charter was awarded in November 1964 and incorporated under the societies act in 1965.

In 1966, 48 charter members were selected by committees from the east and west. To date 284 inductees have been honoured in the hall of fame for Canada's official summer sport.

This past Saturday at the Royal Towers Hotel in New Westminister, the hall welcomed six new inductees, two builders and four box players. From the builders was Annie McDonald of Ontario and Mason Sheldrick from British Columbia. From the players was Grant Heffernan and Lou Nickle of Ontario and Bill Rawson and Doug Hayes from B.C.

These six inductees have served Canada's national sport honourably and I might say they have served it strike free. Congratulations to the Canadian Lacrosse Hall of Fame.

* * *

FRIENDSHIP CENTRES

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the aboriginal friendship centre program in the department of heritage improves the lives of urban aboriginal people through the provision of social, cultural and recreational services.

When the former Conservative government cut the program by 10 per cent in 1993, the Liberal opposition MPs rose in the House to publicly condemn the government's actions. Now that they are in government a department of heritage internal working document reveals that the Liberals are considering three proposals for funding reductions, a cut of 25 per cent, a cut of 50 per cent or a phase out of the program over three years.

Members of the National Association of Friendship Centres have been trying since last spring to meet the minister to discuss the proposed cuts, but without success. Because the continued survival of these centres is essential to the future of aboriginal people in Canada, I strongly urge the minister to meet with the National Association of Friendship Centres as soon as possible and I encourage him to exempt the valuable services that friendship centres provide from any planned budget cuts.

* * *

VANIER CUP

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, the University of Western Ontario Mustangs finished an undefeated season with a record sixth Vanier Cup victory Saturday.

An hon. member: Again?

Mrs. Barnes: Yes, again. I remember as a student cheering them on to their very first Vanier Cup in 1971. The Mustangs

won the Canadian varsity football championship in 1974, 1976, 1977 and 1989, and hopefully next year too.

Saturday's 50–40 victory was the first overtime victory in the history of the Vanier Cup. The Saskatchewan Huskies' valiant effort made for an exciting game for the spectators.

A Western fan, 82–year old Professor Emeritus Allen Philbrick, lapped the field after every Western touchdown, as he has done for the last 20 years.

I am proud to congratulate the team, the university and all the fans. I am very happy that they are in my riding.

* * *

GOVERNOR GENERAL

Mr. Paul Zed (Fundy—Royal, Lib.): Mr. Speaker, it was with immense pride that I heard today in the House our Prime Minister announce that Her Majesty Queen Elizabeth has accepted his recommendation to appoint the Hon. Romeo LeBlanc as Canada's 25th Governor General. This is a wonderful tribute to a man who has served our country for so long and with such distinction.

The Prime Minister has bestowed an honour on all Atlantic Canadians, all new Brunswickers and in particular the vibrant Acadian community of North America.

• (1415)

On behalf of all New Brunswickers I wish to thank the Prime Minister for honouring us in this way. Romeo LeBlanc will make an excellent Governor General. He is a man possessed of unusual human strength, humour and compassion. I know his modest self–deprecating style and wit will endear him to all Canadians. He will be the people's Governor General, a man as comfortable chatting informally in a farmhouse kitchen in Sussex, New Brunswick, as he will be receiving a head of state at Rideau Hall.

The Prime Minister has made an outstanding choice. Members join me in congratulating Romeo, his wife, Diana, and their children Dominic, Genevieve, Joanna and Sarah. May God bless and keep our new head of state.

ORAL QUESTION PERIOD

[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, following the Government of Quebec and the Mayor of Saint–Jean, Col. Marcel Parisien, Commandant of the

Royal Military College in Saint–Jean, has proposed to the federal government an alternative to the brutal closure of the college in Saint–Jean.

In a letter addressed to his superiors, Col. Parisien confirms that Kingston does not have enough facilities to house the officer cadets from Saint–Jean and he expresses serious reservations about the ability of the college in Kingston to properly integrate French–speaking officer cadets in their language.

How can the Minister of Intergovernmental Affairs refuse to consider Col. Parisien's proposal, since the colonel knows what he is talking about? Will he finally admit that the college in Kingston does not now have sufficient facilities for the French–speaking officer cadets from Saint–Jean?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I checked again with defence department experts and with the defence minister himself. They confirmed for me that once all the costs of converting the college in Kingston are taken into account, the federal government would save $23 million a year net by putting all these military facilities there.

What must be done now is to implement the July 19 agreement so that the college in Saint–Jean can remain a post–secondary educational institution.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the minister quotes anonymous defence department experts for us. He should realize that the expert in this area, who is there on location running the college and knows what it really needs and what it must have in future and who also knows Kingston, is the commandant of the present college, Col. Marcel Parisien. He contradicts the minister.

The minister's attitude could drive one to despair. He is needlessly stubborn. When will he finally listen to reason, since he is practically the only one now who opposes his own commandant of the college in defending the brutal closure of the college in Saint–Jean, which Col. Parisien considers to be irresponsible and unrealistic?

Does he not realize that he is jeopardizing the attempt to reach the goal of 30 per cent French–speaking students in Kingston?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, again, I rely on the opinion of defence department experts. The commandant himself is not an expert on the costs of converting such an institution.

The experts are very clear. The federal government's position of concentrating all its teaching operations in Kingston is justified and the only problem still to be solved is to have the

Quebec government respect and ratify the agreement signed on July 19.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I do not think that the minister has made himself look better and convinced anyone by discrediting the present commandant of the college, saying that he knows nothing about the operation, when he is himself appointed by the government to run the college. He is the government's representative to lead the college and the institution and we are being told that he does not know his work. They are hiding behind nameless officials who are under the minister's thumb.

Obviously, the minister still thinks that he alone is right on this issue. Does he share Col. Parisien's opinion that the college in Kingston cannot provide officer cadets with proper support to join the armed forces as French–speaking members and that their dropout rate will be higher?

• (1420)

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is only appropriate since we are now not talking about the entente between the Government of Quebec and the Canada but rather the operations between the Canadian armed forces that I reply to the hon. member's question.

The commandant in question was sent this summer to wind down CMR. He was not involved in the original decision making and is therefore not fully apprised of all of the financial facts that were available to me as minister and to the department when the closure was announced.

What has happened here is something that should be explained. The commandant like a lot of base commanders across this country, faced with a lot of very frustrated and angry and upset people who are losing their jobs because of the base closures, whether they be in Chatham, Cornwallis, Dartmouth or North Bay, is trying to deal with his people in the best way possible.

In good faith he thought he was being helpful to the cause. We have pointed out to him that the facts in his letter do not add up. I now believe that the commandant realizes that the situation as we had described it originally and the facts upon which the original decision was based is the correct one.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, once on site, the commandant of the college in Saint–Jean who was tasked with closing the college realized that the orders he had been given made no sense. This, I think, justifies his position.

In his report tabled today, the Auditor General states that infrastructure mismanagement in the Canadian Forces costs the Canadian government over $100 million a year. Furthermore, the Minister of Intergovernmental Affairs claims that closing the college in Saint–Jean will save $23 million, but he is very careful not to subtract from this $23 million the amount added to the budget of the college in Kingston for the teaching activities that will be transferred there.

Why does the government not admit that it erred by cutting the military college in Saint–Jean instead of targeting poor management practices that every year cost four times the total budget for all teaching activities in Saint–Jean?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the government made the right decision for financial reasons to close the two military colleges, Royal Roads and Collège Militaire Royal in Saint–Jean, regrettable as that may be. In fact we closed a number of facilities across the country. It has caused a lot of hardship to many communities.

What I think should not be lost sight of here is that the tactics of the opposition, the Bloc Quebecois, and the Government of Quebec are really distracting the focus of attention of those people who have to make a very important decision in their lives. By January 7 they have to decide whether or not to take the government offer, the civilian reduction plan, a program which has been offered to them.

What is happening is that hon. members opposite and their tactics are giving those people hope that somehow this decision will be reversed. The decision will not be reversed and they are doing themselves and the people of the province of Quebec a great disservice.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is true that the opposition wants to offer renewed hope to the people of Saint–Jean, unlike the minister who stubbornly refuses to change his mind.

Some hon. members: Hear, hear.

Mr. Gauthier (Roberval): As the Auditor General of Canada said, the government continues to spend millions of dollars more on its real property than what is needed. These expenditures, says the Auditor General, are based on ill–considered political decisions.

Does the Minister of Intergovernmental Affairs realize that building the infrastructure needed to accommodate 1,200 officer cadets in Kingston, when this number will be reduced to 900 within two years, is a waste of money, especially since such facilities already exist in Saint–Jean?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, there are a number of factual errors in the hon. member's question.

First of all, any new construction that RMC was authorized by the previous government and amounts to normal replacement. That construction was scheduled to start in 1995. There will be no new construction required as a result of the consolidation process of the two colleges announced in the budget.

• (1425)

Second, when the hon. member talks about the Auditor General's report, and I have not had a chance to read it, he is really mixing apples and oranges. Whatever the Auditor General had to say in that area does not bear direct relationship to what is at hand with the very serious matter of St. Jean.

If the member really wanted to give hope to the people of St. Jean, the professors and other employees who work at this very noble institution, he would encourage the Government of Quebec to accept the proposal negotiated by my colleague, the Minister of Intergovernmental Affairs. That would bring them hope because the college would stay open as a civilian institution.

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AUDITOR GENERAL'S REPORT

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the federal government spends more money on social programs than anything else. The Minister of Human Resources Development is running around the country discussing social reform. Yet the Auditor General in his report today says that a central concern in our study is that Parliament lacks important information on the performance and effects of existing social programs. Canadians do not even have the numbers, the actual costs and values received, not for existing social programs nor proposed reform.

Will the Prime Minister implement the Auditor General's recommendations and give Parliament and Canadians the financial information necessary to make meaningful choices on social policy reform?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member well knows, over the past several weeks the Department of Human Resources Development has tabled a number of very extensive supplementary papers that detail in a very wide range the impacts of a variety of options and choices.

I would be very glad to submit to the hon. member copies of those papers so that he would be fully informed, although I can assure the House that every single member of Parliament has received on his or her desk copies of those supplementary papers that fully comply with the kind of requirements the Auditor General put forward.

Mr. Preston Manning (Calgary Southwest, Ref.): Including technical reports as well. The weakness of the minister's answer reveals the fundamental weakness in the government's approach to social programs. That is an unwillingness and inability to assess fully the real costs, the long term costs on what is proposed. Weak on numbers. Sauce in the heart but soft in the head.

Will the Prime Minister acknowledge that this is the fundamental weakness of the red ink book? It is the fundamental weakness of the minister's green paper. It is the fundamental weakness of the government. Will he commit to start doing something about that weakness?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member should know that the Auditor General prepares his analyses and assessments months and many times a year before the actual developments and events take place.

I certainly agree that the Auditor General has clearly demonstrated in his report the fundamental need for social reform. He has pointed out how many of the programs have not worked well, how disincentives have crept into programs, how there is a dependency growing up. The Auditor General has underlined as clearly as anybody in this country has the need for social reform. The problem is that members of the Reform Party are opposing social reform because they do not want to see those changes take place.

I would seriously suggest that if the hon. member was really paying attention to the Auditor General's report he should be applauding this government for undertaking social reform.

Mr. Preston Manning (Calgary Southwest, Ref.): The Reform Party opposes tinkering with social reform, not real reform.

The Auditor General says in black and white what Reformers have maintained for years, that increased costs in social services since 1975 have made them, and I use his words, "financially unsustainable from tax revenues".

This is a broader question than just the minister's department. Will the Prime Minister come clean with the Canadian people and tell them that with current deficit and debt levels federal social programs are financially unsustainable and that is the reason for having real reform rather than tinkering with the social programs?

• (1430)

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, one can only draw this conclusion from the hon. member's questions and general responses.

The Reform Party is not interested in meaningful reform. It is interested in mean–minded reform. It simply wants to cut, cut, cut. It does not want to change the programs to get people back

to work. It does not want to change programs to help children out of poverty. It does not want to change programs to ensure that people have a greater opportunity. It simply wants to slash the programs.

Mr. Speaker, that is not the way Liberals do things.

* * *

[*Translation*]

CANADIAN NATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is directed to the Minister of Transport.

As the Auditor General continues to reveal cases of wasteful spending in the federal government, we learn that the president of CN, Mr. Paul Tellier, who receives an annual salary of $345,000, in addition to an annual allowance of about $52,000, received from his employer an interest–free loan of $432,000 to buy a house for which he paid $345,000, when he was transferred from Ottawa to Montreal.

Does the minister feel that at a time of budgetary restraint, it was appropriate for CN to grant Mr. Tellier an interest–free loan of $432,000 without a mortgage guarantee, in order to camouflage this transaction?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the arrangement the hon. member has alluded to with respect to the interest free loan is not one that comes directly under the responsibility of the Government of Canada. The remuneration for the president of CN is a matter for the Government of Canada and it is set by order in council.

With respect to any arrangements for the financing of a home, that is a matter between the president of Canadian National and the board of CN.

The hon. member knows this is a precedent which has been set over a number of years with CN. It also occurs quite frequently in the private sector.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, as far as I know, the Canadian government is the sole shareholder of CN. Since the loan to Mr. Tellier is $87,000 more than the price he paid for the house, does this mean that CN also lent this money interest–free and without guarantees, so that Mr. Tellier could spend it on redecorating the house?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, as I indicated, the practice at CN which is a crown corporation is compatible with what has gone on in the private sector. There is also precedent at CN.

With respect to the question dealing with the evaluation of the property, I will see if we can clarify the situation and find out if it resembles in any respect what taxpayers have to do with Mr. Parizeau's home in Quebec City.

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AUDITOR GENERAL'S REPORT

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I was shocked, as I am sure you were, to read in the Auditor General's report that the national defence department is the only department that keeps track of the implementation of the Auditor General's recommendations and it implemented only 56 per cent of the 1990–92 recommendations.

My question is for the Prime Minister. Will he ensure that each government department from now on will comply with the Auditor General's recommendations to ensure that the taxpayers get fair value for the money they pay to this government.

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Yes, Mr. Speaker.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, last year the Auditor General pointed out a tax problem that cost Canadian taxpayers more than $1 billion. This year the Auditor General has identified potential savings in excess of $1 billion again, including one point where over 10 years we spent $1 million to design a boat that was never built.

Can we be assured that all of the recommendations of the Auditor General will be implemented forthwith so that from now on we know that we will never see the type of report coming out again that shows waste and mismanagement right across government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I understand that the very diligent minister of fisheries oversaw the final phase–out of the project.

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, my question is directed to the Minister of Finance.

In his report tabled today in the House, the Auditor General indicates that tax revenues totalling $6.5 billion have yet to be recovered by the federal government, in addition to accounts receivable totalling $1 billion for the GST.

Does the Minister of Finance agree that before he considers taxing private health plans and RRSPs, he should first take steps to recover these billions of dollars in accounts receivable?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I can assure the House that we will collect the vast majority of the taxes owing and we will do it with interest.

Canadians should know that the accounts receivable of Revenue Canada are not some fund which is available to further reduce the deficit. They are funds taken into account in the government accounting by the Minister of Finance in budgetary projections.

The total accounts receivable stopped growing last year and is now declining. I believe that we will continue to be able to reduce that sum.

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, $5.4 billion in taxes is owed by 400,000 high–income taxpayers.

What explanation does the Minister of National Revenue have for the fact that so many high–income taxpayers continue to avoid the tax man and keep putting off paying their taxes? Will the minister promise to put in place a system that will accelerate the processing of these accounts receivable?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the member appears not to have understood that the accounts receivable are funds collected by the federal government, by Revenue Canada. It is not some fund out there of uncollected money. We constantly collect the accounts receivable.

I believe this amount of outstanding taxes will continue to decline as the economic recovery continues. As Canadians continue to regain confidence in the government and confidence in the improvements in the economy that has been brought about since the government came in, we will see the amount of money that is owed to Revenue Canada declining substantially as the recession of the past and the past government gives way to the recovery of the present government.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the Auditor General's report today states that during the past number of years the Canadian government donated $3.1 billion to the Governments of Poland and Egypt to help with their debt reduction payments.

Does the foreign affairs minister agree with this sort of program for the future, considering our current financial situation?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the Government of Canada has obligations to fulfil. As members of the G–7 it is important that we fulfil these obligations.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, my supplementary question is for the Prime Minister.

When the red ink book talks about reducing the debt and deficit was it referring to Poland and Egypt or Canada? Canadians would really like to know the answer.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are on target. We said the deficit in relation to GDP would be 3 per cent by the third year of our mandate. The good policies of the Minister of Finance will make sure that we meet our target.

* * *

• (1440)

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is directed to the President of the Treasury Board.

The Auditor General's report tells us once again that the government is not running a tight ship. According to the report, since 1987, the Public Service Compensation System has cost the government $170 for each of its 200,000 employees in the Public Service, while the unit cost for provincial governments is between $50 and $70.

How can the President of the Treasury Board tolerate the fact that the federal government's management of its compensation system is so costly and inefficient and that the government absolutely refuses to examine many other cases of wasteful spending in its administration, something the Official Opposition has been asking for the past year?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I was not around for some of the years hon. members opposite were. Maybe they know about those practices back in the 1980s and early 1990s.

The government is determined to clean up those practices and to make sure the government is open and transparent and manages its affairs in a cost efficient way.

Certainly we want to study the Auditor General's recommendations. We want to be able to implement them and make sure that Canadians are getting value for the tax dollars they are giving to us, whether it relates to the public service or any other expenditure. We want to be cost efficient and effective in the use of taxpayers' dollars.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, since the President of the Treasury Board is now aware of the fact, could he explain why the government is preparing to spend $137 million on a new compensation system without taking the elementary precaution of doing a cost–benefit analysis?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, anything that we invest taxpayers' dollars in we do so carefully. We do so understanding what the return is. We use new technologies all the time.

In the use of those new technologies we are quite clear that there will be a recovery, there will be a pay back to the system that will help reduce the cost of government, help us to meet the 3 per cent of GDP target in three years and to make sure we have affordable and effective programs that are responsive to the needs of Canadians.

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EMPLOYMENT

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, I have a question for the Minister of Human Resources Development.

Northern Ontario workers have suffered great job losses during the recent recession. In Elliot Lake, which is in my riding of Algoma, nearly 4,000 miners have lost their jobs since 1990. Many of these are older workers and many are losing hope.

What measures is the minister taking to address the particular and pressing needs of all laid off workers in northern Ontario and Canada, especially older displaced workers?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member knows that the plight faced by many older workers when they face a major dislocation in their industry or a downturn in the economy is one of the primary objectives that we have put forward as part of the social reform process.

The great economic tragedies suffered by the people of Elliot Lake gives us an opportunity to look at the impact. For that reason one initiative my department is taking under its innovations program is to provide $2 million to Laurentian University and the people of Elliot Lake to look specifically at the impact on the miners who have lost their work, their families and how a community can begin to recreate itself. This is an example of how we can do innovative thinking about the development of new approaches for people who are no longer able to earn a livelihood through traditional means.

PENITENTIARIES

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, there have been seven escapes in the six months since the Bath Institute was upgraded to a medium security prison.

Can the Solicitor General explain why Correctional Services Canada is putting the public at risk by treating this institution as a medium security facility?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, on behalf of the Solicitor General, who is attending an international meeting of Solicitors General, I would like to say that he welcomed the auditor's report.

The recommendations in the auditor's report will help the Solicitor General with the work that was already started when he took office last year. We are implementing those recommendations that are in place and we will continue to do so.

• (1445)

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, today the Auditor General's report does indicate there is a need for a better classification system of inmates for the protection of the public and that greater attention needs to be paid to the supervision of high risk offenders placed in the community.

Would the minister not agree that corrections' current classification system and the supervision given to these high risk offenders is as leaky as the security at Bath and needs a major overhaul, not just tinkering?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the Correctional Service of Canada has already initiated action on a number of recommendations. For example a senior official has been appointed to assume responsibility for managing improvements to practices for supervising offenders in the community.

Let me quote the Auditor General in chapter 18.29. I remind my colleague that the Auditor General stated: "The service is continuously revising its process of risk identification and management and it is improving the fundamentals of how it assesses risk. It is changing and improving the way it manages based on that risk".

* * *

[*Translation*]

RAILWAY TRANSPORTATION

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, my question is for the Minister of Transport.

The two train tragedies in Brighton and Rimouski have revealed major shortcomings in VIA Rail's ability to assure the safety of passengers in case of accident. Passengers have pointed out that no one was able to open the doors of the railroad car that caught fire in the accident and that first–aid kits were totally inadequate.

Can the minister tell us if he has instructed VIA Rail officials to immediately correct the shortcomings with respect to emergency measures and first aid for passengers in case of a train accident?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, there is no question that the well–known events described by the hon. member are disturbing. We asked VIA Rail, which is conducting an internal investigation, to take all necessary measures on a provisional basis to try to correct the shortcomings that have come to light especially after the accident that occurred between Montreal and Toronto.

We will make every effort to assure to the extent possible the safety of passengers and employees travelling on VIA trains.

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I have a supplementary question. Since VIA Rail's Vice–President, Customer Services has indicated that emergency measures and first–aid kits met standards, does the Minister of Transport intend to upgrade safety standards?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, on an interim basis obviously we are going to review internally at VIA what has to be done, what should be done and what can be done.

I want to explain to my hon. colleague this was an unprecedented situation, something that no one could have foreseen. It is a tragic incident particularly the incident between Toronto and Montreal.

The safety transportation board is reviewing all of it and will report. We are going to do everything we can at VIA, at Transport Canada, at the police forces. Every possible avenue will be explored to make sure that people who travel in Canada on VIA trains can do so in safety and security.

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ABORIGINAL AFFAIRS

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, the Auditor General reports that the department of Indian affairs is currently spending approximately $1 billion on the delivery of social services to on reserve Indians. The Auditor General also says they are spending this $1 billion with no substantive legislative authority, no plan, no goals, no monitoring and no accountability for results.

How can the minister account for the utter failure of these programs despite the billions of dollars that have been spent on them?

• (1450)

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, as other ministers have indicated I welcome the Auditor General's report. It is a very important instrument to my ministry to ensure that we improve.

As well as looking at what is in there and acting on it we will be working on housing conditions, greater employment skills development and things that the Minister of Human Resources Development has indicated today. We will improve.

The aboriginal people have a saying: Walk in my moccasins. I am sure if Reformers were in government there would be no moccasins for the aboriginal people. They talk about failures but they refuse to accept that there are successes. In 1968 there were only 600 aboriginal people in post–secondary schools. Because of Liberal policies over the years there are now 150,000 aboriginal people in colleges. That is success.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I remind the minister that it is precisely the fact that Reformers do care about the plight of the Indians that we dare to question this. It is something no other party has done in this House. The government knows it. That is why its programs serving the natives have been an absolute failure.

Since 1981 the number of individuals receiving social assistance funding in the native communities has risen from 85,000 to the current 130,000. Spending has gone from $200 million to $1 billion. These are unacceptable results. Considering this, will the minister take immediate steps to bring this social spending on native affairs under the scrutiny of the Parliament of Canada?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, what Reformers fail to point out is that the population of aboriginal people is double that in the so–called white community.

We welcome the report. We will work within the report. I am sure at the end of four years we will have a much better system in place than that which we inherited.

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JUSTICE

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, my question is for the Minister of Justice.

Recent court decisions have confirmed that extreme drunkenness may be used as a defence for certain crimes. This has caused many Canadians to be concerned that those responsible for their drunkenness and crimes will not be sanctioned and

punished in our criminal justice system thereby leaving the victims without protection of the law.

Can the Minister of Justice indicate whether he will be addressing this matter in a way that will assure victims of crime involving drunkenness that they will have the full support of our criminal justice system?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in my view the present state of the law in respect of self–induced intoxication is unsatisfactory. The government has already published a blueprint for change which initiated a consultation process some two weeks ago.

I share the sense of urgency expressed by my hon. colleague and other members of the House. We are doing everything possible to accelerate the preparation of a new provision in the Criminal Code in this regard. Indeed we will make every effort to prepare an amendment for introduction in the House shortly after we resume in session following the Christmas break.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, as a follow–up to the same question on the same subject put to the Minister of Justice, how can the minister use the pretext of having to consult Canadians, when what is obviously expected of him is to act now? What is he waiting for, what is keeping him from taking action?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, what is needed in order to act responsibly is to take into account the views Canadians want to express on how this law should work. For example I have already been put on notice by women's groups that they disagree with the proposals contained in the discussion paper. They want to speak with me directly about alternatives.

We must confront questions about how to design this law so that it withstands an attack under the charter. We do not want an amendment that is struck down six months from now leaving us back where we began. We will take the time necessary to get it right.

• (1455)

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, I think that what we have is not a Minister of Justice but a minister of consultation.

Why does the minister not table a bill immediately instead of consulting right and left? We want a bill now!

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I have already told the House, we shall make every effort to have an amendment to the code prepared for introduction shortly after the House resumes following the Christmas break. That time will be necessary to take into account the considerations that arise.

May I add that those cases which may come before the courts in the meantime will do so with the admonition of the Supreme Court of Canada itself that this defence is available in the rarest of cases. The onus is on the accused to demonstrate that the principle applies.

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INTEREST RATES

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, Canadian real interest rates are the highest in the industrial world and there are now predictions for another large increase. While I do not agree, analysts suggest that the solution to Canada's financial problems lies in a reduction rather than an increase in these interest rates.

Why does the Minister of Finance not order the Bank of Canada to lower interest rates?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, in an exchange that did grievous harm to my career and the hon. member's career he gave me a 90 when I made my presentation to the House of Commons finance committee. It is with enormous regret knowing his great reputation that given that question I must give him a failing grade.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the public record shows clearly that I do not believe that the Bank of Canada can or should lower interest rates.

The public record also shows that when the Minister of Finance was in opposition he argued vociferously that Governor John Crow should be ordered to lower interest rates. What has the minister learned since those days in opposition?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the position that I argued in opposition was that the government of the day should not place all the burden on the Bank of Canada but that it should take fiscal action itself to get the economy going and that it should put Canadians back to work. That is exactly what we are doing in government.

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TAXATION

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my question is for the Minister of Finance.

The Auditor General reports that corporations owe $3 billion in unpaid taxes to Revenue Canada from 1993. He also states: "Clearly, reducing deficits through more effective tax collection is preferable to raising taxes. Taxes receivable are an important national asset and leaving them uncollected has a serious impact on the deficit".

Will the minister stop threatening students with increased costs of education and working people with cuts to UI and start paying more attention to collecting the $3 billion owed to Revenue Canada by these corporations?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I repeat the reply I made to a question earlier. We are coming off a particularly nasty recession. There are companies and individuals who have had a tough time of it. It would be possible for us to drive some of them into bankruptcy without necessarily collecting any more money. That would be most inappropriate for Revenue Canada to do. We will collect the revenues that are owed to us, except for a small proportion of bankrupt or companies in receivership. We cannot collect the amount that is in dispute which the taxpayer persuades us is not appropriate for it to be collected in the first place.

• (1500)

We will collect that money because our record on collection is very good; far less than one per cent of moneys owed to Revenue Canada is not collected.

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SENIORS

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, the Minister of Health has just returned from Winnipeg where she met with her provincial and territorial colleagues responsible for seniors. I would appreciate knowing the outcome of that meeting.

What is the government doing to ensure that the needs of the seniors are met in the face of shrinking budgets and increasing demand on social programs?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we had some extremely productive meetings. We agreed to consider all of the concerns of our seniors, to reorient our programs to those most in need and most at risk. That fits in very well with what I have been doing as Minister of Health, that is ensuring that our seniors get the help they need by using those dollars that are available very effectively to address the most serious needs of our seniors.

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WAYS AND MEANS

NOTICE OF MOTION

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, pursuant to Standing Order 83(1) I wish to table a notice of ways and means motion to amend the Income Tax Act and the income tax application rules.

I ask that an order of the day be designated for consideration of the motion.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—MEMBERS OF PARLIAMENT RETIREMENT ALLOWANCE

The House resumed consideration of the motion

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to continue my remarks with regard to the opposition motion for today, that this House urge the government to replace the current members of Parliament retirement allowance plan with a pension plan that reflects the current norms for private sector pensions with a maximum contribution in accordance with the Income Tax Act.

This morning throughout the hours of debate there were a number of points made by hon. members in the House. I think it is very important to review a few of those points.

• (1505)

I think the most important aspect is the fact that during the election campaign the Prime Minister promised the Canadian people that he would reform MP pensions. He made two specific promises, the first being to end the so–called double dipping which is a case where former members of Parliament would receive appointments to government and receive not only a pension but also the compensation for that appointment to some government position. The Prime Minister has committed to eliminate double dipping.

The second was with regard to the age qualification, the age at which members of Parliament could qualify to start collecting pension benefits they were entitled to.

Yesterday the Prime Minister rose in this House and reaffirmed his commitment to make those changes and specifically said that those changes would be tabled in this House within the next few weeks.

I think the Prime Minister's commitment to this reform of our pension plan was very clearly demonstrated this morning when the he rose in the House to announce that his recommendation to Her Majesty the Queen that the Hon. Romeo LeBlanc be appointed as Canada's 25th Governor General had been accepted. In the House the Prime Minister and the other leaders of the other parties rose to compliment the Prime Minister on his selection and nomination of the Hon. Romeo LeBlanc who,

incidentally, is the first Governor General from New Brunswick, Atlantic Canada.

I thought it was very aptly put by the Prime Minister when in addition to announcing that appointment he concurrently announced that the new Governor General would be accepting his compensation as Governor General but that the Governor General nominated will forego or return his pension as a member of Parliament back to the government. That speaks a great deal for the leadership that the Prime Minister is showing on the aspect of MP pension reform.

Throughout the debate this morning a number of members raised interesting points and interesting issues. I receive with interest the comments of the hon. member for Vancouver Quadra who, through all of the rhetoric going on today, actually sat back and recalled, remembered and reflected upon members of Parliament who served in this Chamber prior to pension plans being formalized and being made for members of Parliament.

I think it behoves all members of Parliament not to forget those members of Parliament who served back in the 1940s and the 1950s, many of whom are still active and around, who do not have those same kind of benefits. I believe there would be some interest within this House to express some support for some sort of initiative to ensure that former members of Parliament who so honourably served in this Chamber would also be given some consideration in terms of pension reform.

I think most members of Parliament will have received an awful lot of input from their constituencies about MP reforms. It is referred to often as a gold plated pension plan and that it costs a great deal of money.

One of the things that really does not come up with regard to the discussion of the pension plan is how that relates to the overall compensation of members. I have to declare right off the bat that I am very supportive of comprehensive pension reform. I think it is the right thing to do and I hope that the reform will take place in conjunction with an overall reassessment of the compensation of members of Parliament.

I believe that Canadians would want to ensure that all members of Parliament receive a fair and reasonable compensation for the work that they do comparable to that which they could earn within the private sector. I think those principles should be sought and pursued by the government.

Most Canadians are not very familiar with the lifestyle of an MP and as most members know when you become an elected member the first thing you have to do is wind up your previous affairs. It is virtually impossible to maintain other income earning activity and still be a member of Parliament. I can speak from some experience as a chartered accountant. I know that it took some time for me to make arrangements to have my clients transferred to others so that they would receive the service they needed.

• (1510)

However, the fact remains that right now my chartered accounting practice as it existed no longer exists. In the next election, should I not be re–elected, I will be unemployed just as anybody else might be unemployed and will have to start again. That is a sacrifice that members do make. I hope that hon. members will continue to remind Canadians that all members of Parliament have left investments that they have had in other careers to come and serve in this place.

The other aspect of the pension discussion is what members of Parliament do here. I am sure that most members of Parliament work four or five days a week in Ottawa, some nine months a year away from their families. That investment and that contribution to Canada is very significant. I know this should be taken into account very carefully when the government considers compensation to members.

On top of that Canadians should also be aware that when members of Parliament go home when this House is recessed that does not mean that all of a sudden members of Parliament are somehow on vacation. Every member of Parliament has at least one office in their constituency, their riding. They have staff there to service the needs of their constituents. Their job in the riding is just as busy and important as it is in Ottawa. I am sure every member of Parliament has experienced the same thing where we find that we are working 80 hours a week to make a contribution to the betterment of Canada and to the concerns of our constituents.

When we make changes to compensation plans a fair and reasonable rule should be that every member of Parliament or every candidate for elected office should know what the compensation package is so that they can make an informed decision. To make changes over and beyond what was promised to be made, for instance the changes in the pension plan, is asking a lot for members of Parliament to take at this time without some reasonable expectation that there would be equity and fairness for all.

This whole question of when changes should be made really should come up in the debate. I would be interested if the Reform Party would care to comment on the general principle that when changes are going to be made to compensation of elected officials such as members of Parliament those changes should be fully debated, discussed, tabled and decided upon before an election but not to be effective until after an election.

With those comments, I am pleased to have participated in the debate. Again, I want to thank the Prime Minister for following through with his election promises to amend and reform MP pension plans.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, this member, when our member for North Vancouver was making some comments a couple of weeks ago, said that it was the gong show, that he could ring the gong.

I can imagine that there are a number of Canadians who are watching the parliamentary channel today who just listened to this wonderful verbose bunch of hot air and they want a gong. How in the world can this member say that there should be some reasonable expectation on the part of members of Parliament with respect to this particular issue when we have all known that this has been a major issue? How does that compare with the people of Canada who have lost their jobs, who are having roll backs in their pay cheques and who are facing hardship, for members of this assembly to be sitting around saying: "Well, you know, I really wasn't expecting this. Boy, I don't know"?

I have a lot of sympathy, and I mean this in all seriousness, for the former members in terms of the reform of the pension plan as was suggested by the member for Vancouver Quadra in the same way that I have sympathy for Bobby Orr and other people who are members of the NHL Players Association when they apparently were ripped off in that situation.

What about the old age security recipients?

• (1515)

What about the people who put away their dollars in good faith that the Liberals were going to bring in some kind of a sound policy over the last 25 years so that their retirement pension plans would not have been eaten up by inflation and so that their entire pension plans would not have been under attack by the policies of this government?

Those being my comments I ask the member: Considering that this issue is the number one issue on the hit parade of all Canadians, the number one reason why Canadians do not feel comfortable with politicians, why they think that we consider ourselves to be in a different class or a different league, which I do not and I do not imagine any other member does, why does he think his Prime Minister has delayed and delayed and delayed to bring forward this very simply reform?

Mr. Szabo: Mr. Speaker, in reply to the member's points, first, he commented with regard to the aspect of reasonable expectation on behalf of those who seek elected office.

When I sought elected office I knew very well that the Prime Minister or the then leader of the Liberal Party had made a commitment if elected to reform MP pensions. I was expecting that and I fully took that into consideration. The reasonable expectation that I am talking about has to do with the constant suggestion on behalf of the Reform members that all members of Parliament should now take salary cuts, we should just not have a pension plan, and so on.

I must say that if this House and the Canadian people want to attract good people to this Chamber to make sure that the views of Canadians and the laws of our country are good laws, we are going to have to make sure that there is a fair and reasonable compensation. That is all I ask, that there is a reasonable expectation that it will be fair and reasonable and not somehow adjusted in major way after the fact.

That is why I raise the point that perhaps changes should be proposed before an election to be in effect after an election so that absolutely everyone knows what the story is going to be during their term.

Finally, with regard to the member's comments about old age security, I think it is patently unfair to somehow start raising that there are other social programs. We are talking about members' pensions. The motion says that it should be the same as pensions that exist in the "norms for private sector pensions".

I wonder if the Reform Party really means that. One aspect is that in normal private sector pensions, as a charter accountant I know there are portability provisions whereby the accrued benefits that one had during the period that one was there one gets to take them and transfer them into another plan. As the member well knows that is not the case with the current plan for MP pensions.

I would just say that there are some differences. Whatever it is, whatever it turns out to be, I am very confident that it will be fair and equitable to members of Parliament and to all Canadians.

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I would like to address this notion held by some that pensions are not required around here.

Mr. Abbott: We have never said that.

Mr. Harvard: I have heard it said.

Mr. Abbott: Not today.

The Acting Speaker (Mr. Kilger): I would just like to remind colleagues so that we can all have the benefit of the debate to please direct their interventions through the Chair.

Mr. Harvard: They are very sensitive, Mr. Speaker.

In any event, I think most people would agree, even Reformers, that in this place, the House of Commons, membership should be open to all Canadians. Membership here should not rely on personal wealth. That being the case I think it is incumbent upon us to pursue policies to ensure that not only rich people are able to come to this House as members of Parliament.

Consider this for a moment. Someone from a political party goes to a school superintendent, a school principal, a lawyer, a doctor or a chartered accountant and says: "Why don't you consider serving in public life for five, ten or fifteen years?" The person says: "Yes, I would be interested. I know there is a risk in politics. What have you got to offer me"? He is told: "Oh, nothing. Absolutely nothing". Then the person says: "You know, I do have a career. If I leave this place for 5, 10 or 15 years I will have no career to return to. Would you consider that?" "Oh, no. There is nothing there." "I also have a pension plan. I have a family. I am 45 years of age. I have been in the pension plan for 15 or 20 years. If I leave this place and come back 10 or 15 years from now I will have no pension plan. Would you consider that?" "Oh, no."

• (1520)

The person from the political party says: "If you come into public life you take the risk completely. Not only will you have nothing to return to and nothing to soften the landing when you return to public life, but you will have to win at least two or three party nominations and you will have to win general elections".

In other words this possible candidate for public office is being offered nothing by the employer. "I am supposed to take all the risk, give up my career, give up my pension plan, give up my family so that I can serve in public life." The person from the political party says: "Yes, that is pretty well it".

I would think that in most cases the person being pursued as a candidate would say: "Well, public life is great, but it is simply too much for me. I cannot afford it". The fact of the matter is that even with the pensions we have now, most Canadians do not consider public life. Most of them are in mid–life and they simply cannot afford to leave their private careers. The risk is too great even if they are eligible for a pension plan six years after entering public life.

I want to ask the previous speaker if he has considered that.

Mr. Szabo: Mr. Speaker, I think the hon. member has made some very valid points. The important point is, and I think he would agree, that people entering any career should have reasonable knowledge, reasonable expectation of what the compensation should be and it should not be effective retroactively to their detriment.

A final comment. I failed to raise this in my comments, but I do agree very much with the member with regard to his comment on the family. All members of Parliament make a very, very significant sacrifice in being away from their families four or five days a week, nine months of the year. That is the important contribution they make so that they can serve and make sure we live in what the Prime Minister says often in this House, the best country in the world.

The Acting Speaker (Mr. Kilger): I wonder if you could indicate to the Chair if in fact the practice of splitting the time is still ongoing.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I will be speaking for 10 minutes if the Chair allows.

It gives me great pleasure to speak here today on the MP pension plan. Before I begin I would like to make a remark.

For reasons that elude us on this side, I cannot in my wildest dreams imagine that when we are speaking here how when the simple information and constructive solutions we are putting forth cross the line in this House it gets so distorted so that the responses from the other side come back being unintelligible.

In any event, we in this party are not saying that we do not want pensions. All we are saying is that we would like to bring them into line with the rest of the public. Of all the things the public finds distasteful and unfair about this government, this House and these members, it has to be the gold–plated MP pension plan we have.

In fact, the recent commission that was sent to study MP pension plans, when comparing them to other countries said that our plans were the least stringent in terms of commencement and one of the highest in terms of allowance.

Let us take a look at some other first world countries and make some comparisons between our pension plans and theirs. In France and the United Kingdom the minimum age of service is 55 years, not six years like we have. Australia, 12 years of service or age 60. The United States of America age 62. The maximum allowance in our country is 75 per cent of our terminal salary which is just near the top of all the countries I have discussed. We have about the best that one can possibly imagine.

• (1525)

How lucrative is this plan in real terms? Let us look at the last election. An MP serving eight years who left office at the age of 37 will receive $28,350 a year initially and $87,000 a year at age 60 for a total buyout of $2.7 million.

An MP serving 13 years who retired at age 50 will receive $39,700 a year initially for a total buyout of $1.9 million. His initial payments will increase with the indexing. Therefore the last payment will be $64,692 a year. Not bad. Nowhere will members find that in the private sector. Nowhere in the private sector does such a lucrative plan exist. In fact in the last election 73 eligible defeated MPs will collectively receive over $100 million in buyouts at the expense of the Canadian taxpayer.

Miss Grey: Who's paying the bill?

Mrs. Brown (Calgary Southeast): Shame.

Mr. Martin (Esquimalt—Juan de Fuca): Exactly. In these days of fiscal restraint, this is completely unconscionable. The pension plan scheme that we have now is called the defined benefit scheme where the benefits are paid according to a specific equation.

It is reasonable to do this kind of scheme in firms where there is long tenure, long contributions and high retirement ages. Does this look like what we have here in this Parliament? No. In fact, it is the exact opposite of what we find here in this House.

MPs retire relatively young after short tenures with minimal payments into the system. Thus one can see that this type of system bears a lot of risk for the employer. In this case who is the employer but the Canadian taxpayer. We are burdening the Canadian taxpayer with a risk that the private sector would not take for itself.

The taxpayers in this country are taxed too much and cannot afford to be taxed any more. They have no obligation nor should they have to pay these lucrative pension plans that we currently enjoy in this House today. Currently MPs contribute 11 per cent of their basic salaries to the plan. The taxpayer picks up the rest. How much is this?

If one looks at the entire plan, the MPs actually contribute from 20 per cent of the total amount that they are going to get paid out while the taxpayer pays 80 per cent. Furthermore these plans as members know are fully indexed to inflation.

We in the Reform Party as usual would like to make some constructive suggestions to help bring these MP pensions in line with the rest of the public, this in the name of fairness, in the name of togetherness and in the name of collegiality to eliminate the us versus them mentality that the public perceives of us, to engage in fiscal responsibility and to do our part in a small but constructive way to bring the deficit down to zero and to start attacking the debt.

To make the sacrifices that we are demanding of the Canadian public I have some constructive suggestions. First, let us convert these MP pension plans into a money purchase system that many private companies are doing. This is a shared contribution system where the MPs and the government put money into the system and into individual RRSPs. It is a joint contribution plan.

Second, we must stop indexing the pension plans. Private plans do not do this so why should we? These measures will help eliminate the excessive topping up that the Canadian taxpayer must make in order to fulfil the obligations under the current payment scheme.

Also, by putting it into private individual RRSPs, we are adding an element of personal responsibility into the system for the MPs themselves. Third, by doing this one is ultimately going to decrease the amount of retirement payments through OAS and CPP that we would have to incur in the future thereby adding further savings.

I am going to take a little bit of licence here and bring in the social service payments to the retired for a moment because it is an interesting thing to do when we look into the future of a need that is going to require these social programs for the retired individual, in particular to enable those retired individuals who are not well off to have a social program that is going to provide for their needs in the future. When we look into the future our current social program schemes will not be able to provide payments to all retired individuals. Why? Let us look at some things. OAS pays out around $14 billion per year. CP pays out $10 billion a year and the guaranteed income supplement is around $4.5 billion a year.

• (1530)

Furthermore the CPP current liability, the unpaid liability, is $500 billion, a fact that the Canadian taxpayer does not realize. This amount of money has to be paid and an amount of money that is not factored into any current debt projections we are currently hearing. By the year 2030 there will be two working people for every retired individual. This is an unsustainable situation and cannot last.

In the near future it will be a necessity for individuals to take it upon themselves to provide for their own retirement needs because the government is not going to be able to do it for them. They will, I hope, be able to provide for the needs of those who are retired and those people who need it most. This is an example of prioritizing the spending that we are trying to convince the government to do.

If MPs were to receive their pensions according to the ways I have mentioned in a sustainable fashion in the individual RRSPs, government social handouts would decrease, particularly government handouts would decrease to those individuals of which we would be a part. Therefore we could anticipate considerable savings from these programs.

There is no way to balance this budget without making cuts to the social program situation as our party has discussed before. The government should take us as an example of a group of individuals where we can revamp our retirement program in order to become self–sufficient and in order for the individuals here not to become a millstone around the taxpayers' neck.

Last, I would put up the retirement age for MPs. As I explained initially retirement age for most members of Parliament in other first world countries is much higher than what we have here. I would ask the Prime Minister to raise that to age 55 or 60.

I have heard before that government members make various arguments that the lifetime of an MP is short and their certainty of employment is not high. Many members of the public also engage in jobs where the future is very uncertain. It is no

different for them than for us. They do not receive any lucrative pension packages and neither should we.

Government members also argue, as has been discussed today in the House, that many members take large pay cuts, have given up lucrative careers and that we will not get good people coming to government unless we have these lucrative pension schemes.

I believe that good people will always come to the top and that money should not be the motivating factor to get into this job. If people are prepared to give up their professions in the name of public service then one is more assured that they will be honest in their intentions to serve the House and to serve the country.

Much has been said on pensions. The Prime Minister has promised that he will allow us to opt out and revamp the pension scheme. I challenge him to rise to the occasion and do this in the name of fiscal responsibility and also in the name of respect of the Canadian public.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I want to share with members a little bit of history. This is not an issue which is new on the public agenda. For example in Saskatchewan in 1977 the then government of Allan Blakeney, who was a New Democratic Party premier, foresaw the problems of unfunded liability with respect to pensions for the civil service and also with respect to elected members of the legislature.

Before I get into that historical perspective, for a couple of minutes I want to say that I believe fundamentally that serving your country and serving the public is an honourable profession, whether you are an elected member of a legislature, of Parliament, or an employee of one of the provincial, municipal, or federal governments.

People want their elected representatives to be accountable, to have a pride in serving their country and to be compensated in a very satisfactory way so that we are responsible to those who pay our salary as opposed to having large incomes from secret sources or sources other than the taxpayers. If that is the case we become accountable to those who do pay our salaries.

• (1535)

The point I want to make in my intervention this afternoon is that I believe serving your country is extremely important and our compensation should be adequate. I believe that a pension system is part of a compensation package, it is deferred income. I also believe, however, that the pension system we have now is unfunded in terms of its liability for taxpayers, it is very costly, and I believe it has to be changed.

I do not just say this. I have undertaken some initiative to see some change. On September 21 I introduced a private member's bill, Bill C–270, which is the money purchase plan bill.

It calls for the Government of Canada to change the MPs' pension system from the defined benefit to the defined contribution plan of a money purchase. It would be fair. It would be effective. It would reduce the taxpayers' subsidy of pensions from $7 to our $1, to a more fair $1 for $1. We contribute a dollar, the employer contributes a dollar and it goes into an RRSP–like account, earns interest, and at the time of our selection to take the money we become eligible to purchase a joint spousal life annuity which then reduces the amount of pension that we have, depending on the age of our spouse if the spouse is younger than us.

This is something that is very important to me. To get back to my history comment, in Saskatchewan this type of plan was introduced—the defined contribution plan or money purchase plan—in 1979 for elected members of the Saskatchewan legislature. It has proven cost effective. It is the only pension plan for elected officials in the country that is endorsed by the Saskatchewan Taxpayers Association, by the Canadian Taxpayers Association, by the Canadian Federation of Independent Business. It is even endorsed by the National Citizens Coalition, to which some people may not be attracted but at least it is endorsed in the sense of it being fair, equitable for both taxpayers and members.

I maintain that this is an opportunity for the House of Commons. When the Prime Minister introduces his bill, we should look at my private member's bill, Bill C–270. It is modelled after the Saskatchewan plan which has been in effect for 15, almost 16, years. It would be a very effective approach to addressing some of the concerns of taxpayers.

I want to ask the member from the Reform Party whether he has seen the bill that I have tabled and whether his party would endorse such a plan which has been endorsed by many of the same associations which support his party.

Mr. Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, no I have not seen the bill that the hon. member has mentioned. I would be very interested in seeing it and my party also, particularly in view of the comments my hon. friend made which basically echoed what we have been saying in this party before we were even elected.

Is it not curious that we find the New Democratic Party and the Reform Party and all of the other groups such close allies on this particular point, whereas the government for so long has basically put us off? I hope that the Prime Minister will listen to the comments just made by my hon. friend and to other comments that have been made here by my friends in this party. I hope that the Prime Minister will take them into consideration and rapidly bring forward a bill based on the constructive suggestions that have been made here today.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, from time to time, including about 15

minutes ago, I have heard apologists for the MPs' gold–plated pension plan say that we need something like this to attract "good people" to Ottawa.

I doubt very many members would admit that they were motivated to come here in order to rip off their fellow countrymen. I am sure that if the question were placed on an individual basis, the terms most often heard would be civic responsibility or love of country.

Unfortunately, anyone who favours this outrageous dip into the public trough is by definition suspect, and those members opposite who defend the system are dirtying the reputations of all of us by their actions. Everyone in this place is touched by this national scandal, regardless of his or her personal stand on the matter.

• (1540)

A little over a year ago when I made my little pilgrimage across Wellington Street to sign on at pay and services, I also signed a simple, hand written document regarding the pension. It said, in part: "I have no wish to receive nor will I accept any benefits". My contributions to the plan are still being deducted at source because the Prime Minister, in spite of his repeated hollow assurances that opting out will be permitted, has declined to act because he did not want to embarrass or inconvenience the 52 cochons de lait who made their way to the trough yesterday.

Why did I and about a dozen others, of whom I am aware, make that particular form of protest? I certainly did not do it because I do not like money. I am not a hair–shirted masochist and I am definitely not well–to–do. I did it because my mother taught me not to steal.

I submit that an elected body in control of its own finances which concocts a scheme through which its members can collect six or seven taxpayer dollars for every dollar that they contribute is involved in something for which an ordinary Bay Street promoter would be sent to prison.

The suggestion that to attract quality MPs they must be bribed with a golden parachute is patronizing and insulting. Some of our greatest parliamentarians, besides working virtually ex gratia, had to return to their day jobs when they retired or were defeated. They knew what to expect when they ran for office. They did not sit back and say: "Oh dear me, no, I could never run for office. I need security".

People with visions of sugar plums dancing in their heads would be precisely the sort of people we would not want in this place. Can anyone imagine John Diefenbaker or Stanley Knowles, when contemplating their first run for office saying: "What's in it for me?"

The non–pension generations forged a nation. They guided Canada through depressions and two world wars and then like other citizens they relied partly on personal savings and partly on the professions, trades or businesses to which they returned. Does anyone seriously contend that they were inferior to the current crop of legislators, that they were less worthy than members of the Bloc who will receive pensions for trying to destroy the country?

At this point I must confess I am going to get a little off track from some of my colleagues. I support this motion because the adoption would lead to major improvements in the pension scheme. However, if I had my druthers there would be no MP pension scheme at all. Since RRSPs became available, people willing to save diligently have been able to build up modest retirement nest eggs.

In my own case, because I am forced to contribute my $1 in $6 to this goody bag, I have to stop adding to my RRSP. Surely MPs with annual salaries and benefits equivalent to about $100,000 in the real world should have enough wit to be able to manage an honest retirement package. I should be allowed to do so.

We are entrusted with running a country, or at least that is the theory around here. Are we so dependent and ineffectual that we cannot provide for our own old age without participating in a scam?

In conclusion, in addition to putting a lid on the trough, existing pensions should be retroactively adjusted in the interest of fairness. I do not suggest that anyone be forced to make restitution on money already received, but anyone already drawing a pension should be cut off until he or she reaches age 65. At 65, the monthly payments should be adjusted to reflect a fair return on actual contributions and nothing more.

• (1545)

In this country retroactive legislation to relieve governments of contractual obligations is nothing new. The only novelty in my proposal is that it would be aimed at politicians instead of the public. Saskatchewan did retroactive financial legislation with the GRIP. Alberta did it in order to tear up royalty agreements. This 35th Parliament has already done it once and would have done it twice if the sleepy folks in the other place had not woken up and intervened.

Remember I am not, I repeat not suggesting that MP pensioners be deprived of a fair return on investment. I am suggesting that they be prohibited from further looting the public treasury.

The person I replaced here was an ineffective and rarely heard backbencher. He served nine years in this place. He is 53 years old and is currently raking in $27,000 a year to augment his income as a practising lawyer. If he lives to age 75 he will have collected over a million dollars. During the 1993 election campaign he made it clear that he would take every nickel that was on the table. That might be one of the reasons he came within 100 votes of losing his deposit. People opposite who are so intent on getting their snouts filled should perhaps bear that

little anecdote in mind when they hear the Prime Minister shouting: "Soo–oo–ey".

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I thank the hon. member for his comments, particularly on the opponent he defeated to come to this House and his view of the great waste of taxpayers' money on MP pensions.

I remind the hon. member that we ran an election in 1993 on a thing called the red book with promises to the Canadian people. In that red book one promise was to reform the MP pension package. At the present time the Prime Minister insists this is being done.

Has the hon. member for Swift Current—Maple Creek—Assiniboia given his thoughts and input to the committee working on the reform of MPs pensions? We on this side of the House are making input daily. We are making recommendations on what we feel is appropriate, not to satisfy the Reform Party of Canada but to satisfy taxpayers and constituents and to bring the pensions into line with those in the private sector. We are working on a promise we made in the red book and responding to our constituents and taxpayers.

Has the hon. member put his comments forward to the President of the Treasury Board as he looks to reforming these pensions so that we do compare favourably with the private sector?

Mr. Morrison: Mr. Speaker, in response to the hon. member's question, no I have not. I serve on other committees. No one can be everywhere on every subject. If the hon. member would care to take my place on the natural resources committee then I will take hers on the finance committee. How is that for satisfaction?

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, perhaps the last question belies the whole problem here. The fact that there is a complete lack of understanding is and has been an underlying concern on the part of Canadians for an extended period of time.

I have cited the example of many people who come up to me in my constituency. During the course of a day if I talk to 20 or 25 constituents at least five and maybe 10 of them will raise this issue during the conversation. It is a major problem.

I also suggest it is perhaps a problem with the news media itself. A couple of weeks ago I had occasion to be on Don Newman's show which is done in the lobby. The topic of the show was RRSPs and the comments the chairman of the Standing Committee on Finance had made about RRSPs.

Because I along with a number of other members in the House like to do better whenever we can, I called a number of people and asked them to watch the show and give me an honest critique as to what was going on. This was happening in the middle of the afternoon in the B.C. time zone so they along with other people in their offices watched as they sipped their coffee.

• (1550)

During the course of the show Don Newman happened to mention the MP pension plan. He was interviewing somebody and asked why the MPs should actually be asking questions about RRSPs when they have a gold plated plan themselves. I do not think that discussion between Don Newman and the person he was interviewing from the insurance industry took more then 90 seconds at the very most.

I had asked those people for a critique on how I had spoken, was my tie straight, how the interview went. However, every single solitary one of them, the very first comment they made was: "You guys have got to get your MP pensions under control". This is something that seems to go right over the tops of the heads of the Liberals. I cannot comprehend it.

I wonder whether the member has had the same feeling of frustration that I have had. Somebody like Don Newman or perhaps one of the commentators in the print media will make comments about this. However when the Reformers say, and I am very pleased that one of the NDP members is saying that this must be rectified immediately, that never ever appears in print. It never appears on television. I wonder if the hon. member has felt the same kind of frustration in that the news media will talk about it but they will not talk about the people who are trying to make things happen.

Mr. Morrison: Mr. Speaker, I have made the same observations as the hon. member. This is almost a non–subject in the media. I do not know why. People in the ridings certainly think this issue is important. They think it is important to the extent that it tends to override a lot of major national issues.

When talking to somebody, as soon as the words "politics" or "politician" are mentioned they do not come at you about the national debt or the justice system. The first thing they come at you with is the pensions. Then they get into the big issues, the justice system, the national debt, and so on. The thing that grates them, that burr under every person's saddle from sea unto shining sea is this disgusting rip–off pension plan.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, this will be a brief comment, and I also have a question for the hon. member.

I certainly agree with the Reform Party on one point. I think giving a pension to someone who is 27 or 30 years old is really too much, because these pensions are paid for with taxpayers' money.

The question is this: When they compare members in this House with the private sector, when they refer to the private sector in this motion, what do they mean? Do they mean seasonal workers or people in management? Do they mean professionals or individuals who unfortunately had to drop out of school very early and start work at a very young age? I want to ask the hon. member what he is comparing us with when he compares us with the private sector?

[*English*]

Mr. Morrison: Mr. Speaker, I will have to ask the hon. member what he means because I did not follow the gist of his question. If what he meant was do I think the same rules should apply to people in trades, people who have professions and people in business, the answer is yes. Anyone who comes here draws the same salary while here. Anyone who comes here would be in the same position to contribute to his or her own personal RRSP to the same degree. Therefore I see no relevance to what a person's background might have been.

• (1555)

Ms. Catterall: On a point of order, Mr. Speaker, I want to advise the House that the government speakers from now on will be dividing their time.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, it is a pleasure for me to join this debate.

I am a new member to this House. I ran on pension reform and have worked toward pension reform since the election. Unlike the member for Swift Current—Maple Creek—Assiniboia I have worked at it since coming here. I have not waited until today to do something about it. I have been in touch with the minister. I have been in touch with my colleagues. As the member for Cumberland—Colchester said earlier this is what we should have been doing during this period of time.

This debate on MPs pensions is very important, as the Reform members say. I am pleased to join it because I am convinced that the government is committed to reform MPs pensions. I for one am determined to see that the government does.

I would like to point out to hon. members and the people following this debate that the opposition motion about replacing the existing pension plan states that we should replace the existing pension plan "with a pension plan that reflects the commitments made in the document entitled "Creating Opportunity", the Liberal plan for Canada".

That is of course the red book. I am glad the Reform Party recognizes the significant contribution the red book has made to the debate on MPs pensions, just as it has made a significant contribution to focusing debate in this Chamber for the last year since the election.

That red book with its list of commitments and with its articulation of the philosophy of this government has provided a tremendous focus for innumerable issues including among them MPs pensions. Within that matter of MPs pensions, it has drawn attention to one thing which I noticed the members opposite are not discussing very much. It has focused public attention on the important question of double dipping.

I would like in the short time that I have available to focus on double dipping. I know that my colleagues from Halifax, Vancouver Quadra, Mississauga South and Vaudreuil have spoken on the matter of the age at which the pension should be received. I am very interested in and would like to talk particularly about double dipping.

Double dipping means simultaneously drawing a pension as a former member of Parliament and a salary from the federal government. It is a practice that has obviously and I would say rightly angered may Canadians. I know it has angered many people in my riding of Peterborough.

Let me remind hon. members of the wording of the red book statement on double dipping. We said: "A Liberal government will reform the pension plan of members of Parliament ending double dipping. MPs should not be able to leave office and receive a pension from the federal government if they accept a new full time paying job with the federal government". I suggest nothing could be clearer than that. This is the commitment that has been repeated by this government since the last election. We will end double dipping.

Some of the members opposite have been talking about timing. I myself have argued from this side that we should have moved earlier on this matter and on the age of receipt of pensions. There has been pressure on this House to do with the economy, to do with stimulating the economy, to do with creating jobs. In that pressure it seems that this matter has been left but I personally hope it is dealt with very soon. I am sure it is going to be dealt with.

• (1600)

Before we go any further, we have heard some of this from the other side, let me say that I do not want to here cast dispersions on former members of Parliament who were entitled under the existing act to receive both pension and another federal salary.

There are many MPs who have served this country well and who are continuing to do good work in other federal positions. Clearly it is time for the rules under which those honest members of Parliament work to be changed.

Mr. Speaker, you may wonder why this situation cropped up in the first place. In the mid–1970s pensions were being viewed increasingly as an earned right. Some people viewed their pensions as deferred compensation. In their view reducing or suspending pensions on gaining another job was similar to retroactively cutting a pensioner's salary.

In 1975 the government of the day decided that the fairest approach would be to allow federal pensioners to draw a pension

and a salary unless they again came under the same pension plan. As an example, a former MP who joined the public service could get a pension and a salary while a former member who was later re-elected to Parliament could not get both the MP's salary and the MP's pension at the same time. The idea was then that a career of a member of Parliament and a career of a public service employee are quite distinct, even though they are both paid by the federal government.

Whatever validity this argument may have, it is clear that Canadians today feel that drawing a pension and a salary at the same time from the public purse is unacceptable. They have strong feelings, as the members have said, about MPs' pensions, including the double dipping issue. I agree with them.

Whatever hon. members may feel about some of the media's comments on pensions, I believe the media at this time is truly indicating the views of most Canadians. Let me give some examples of what the media is saying on this matter. The Ottawa *Sun* said in a July editorial: "Today politics is a major league profession with major league bucks, whether it's as an MP, a lobbyist, a senator, or a budding patronage appointee. We don't find many former politicians lining up at food banks or unemployment offices, do we?".

There are some people, I suppose, who might challenge those sentiments. I am not one. It is a widespread opinion in this country and double dipping contributes to the negative image of this House and of members in it. I particularly like the mention of lobbyists in that editorial that I just quoted. I do think that lobbyists might well be subject to the same rules as members of Parliament in their pensions and in their remuneration.

The Vancouver *Sun* said in a March 16 editorial: "Short of lowering taxes, the federal government could not do more to reverse Canadians' surly mood than to slash the pay, perks and pensions of members of Parliament".

I am not sure that pension changes could single handedly turn around the surly mood referred to in the editorial. I am convinced that removing the right to double dip would help. The symbolism of a change in MPs' pensions today is enormous, going beyond many of the arguments about what members earn or what they should earn and things of that type. A change in the double dipping provision and other changes will have great impact in Canada and I support them.

From the St. John's *Evening Telegram*: "Don't count on many MPs saying no to the pension cash cow. Preston Manning's penny pinching Reformers were quickly converted to the spendthrift ways"—

The Acting Speaker (Mr. Kilger): Order. It is a fine line. The member might be quoting from an article. Maybe I lost sight of that, but let me just take the time to remind members to the extent possible not to refer to members unless of course referring to their riding or other portfolios they may hold within the parliamentary precinct.

Mr. Adams: Mr. Speaker, I do apologize for that. In quoting the St. John's *Evening Telegram* I should have said the leader of the Reform Party's "penny pinching Reformers were quickly converted to the spendthrift ways of their fellow Commons denizens once elected. Meanwhile, the rest of the taxpaying public gets stuck with the bill".

• (1605)

It seems to me that editorial writers are suspicious even of opposition members. This concerns me. This doubt about the interests and purposes of members of Parliament is an important matter for us all. It is something which is very disturbing and which is fundamental to the efficiency of what we do in this House.

I would like to see us move to a pension plan which is fair and equitable, which abolishes double dipping, which sets a clear age at which the pension should be received and which sets an example to other pension plans in the country.

It is my assumption, because it is in the red book, that the Government of Canada is going to do just that.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, while I agree with the member in the areas that he has debated, because they were in the book and they are part of the small agenda of the Liberals in revamping this plan, I would like to know whether the member has any affinity at all for making the plan more fair mathematically, more fair from an actuarial point of view.

Is it fair that a person like myself in my previous position should pay into a pension plan for 27 years to get the same benefit that an MP here can get in about six or seven years? There is an element of unfairness there that I think is perceived by the Canadian people right across this country that the growth rate is much too fast, notwithstanding that we contribute probably a higher percentage than they do. At the same time the growth is way out of line.

I would like to know the member's opinion because he seems to be quite in agreement with the need to revamp the pension scheme.

Mr. Adams: Mr. Speaker, as I said the government is in agreement with the need to revise the pension plan. It is still the government's intention to revise the pension plan.

I would say to the member for Elk Island that he and I got the same number of stars in the advertisement that appeared in the *Globe and Mail* the other day.

I personally believe although I am not an accountant that one of the most serious flaws in the present system is that it is impossible to calculate what the payout will be. Any plan of this

type, any insurance policy has to be based on some mathematical calculation.

One of the reasons for that, and I think the member for Elk Island is aware of this, is the fact that there is no set retirement date. Without a set retirement date it is impossible to say, to calculate, to estimate how long people will collect their pension. This I find disgraceful. It is disgraceful that someone could draw a pension at 25, and we cannot calculate the fact that they will be drawing it for 60 years. That is one point.

My second point is that it is not true that if you are in your pension plan for 27 years you get the same as in this one at six years. In your plan at 27 years your premiums and your employers' premiums, if you are employed, are vested after a certain period of time and you do retain those funds. Then when you reach retirement age if you were not in it for 27 years you would draw the benefits of those vested funds.

I think in this case the period of time which we might debate is simply that, a vesting period. The members who lose an election after six years leave if they are not of retirement age. At retirement age they collect a pension which is based on the vested portion of their pension contributions.

[*Translation*]

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, I am pleased to support the motion put today, which would allow the government to keep the promises it made with respect to pensions for members of Parliament. These promises were published in the document entitled *Creating Opportunity*, otherwise known as *The Liberal Plan for Canada*, the famous red book.

As the members know, this document contains two specific commitments regarding the Members of Parliament Retiring Allowances Act.

• (1610)

Not only did the government undertake to end double dipping, but also to review the question of the minimum age at which members may begin to draw their pension.

As the member for Peterborough has just spoken about double dipping, I would like to look at the second issue, the one concerning age.

[*English*]

The Members of Parliament Retiring Allowances Act currently does not require a member to have reached a specific age before becoming eligible to receive a pension. Once a member has six years pensionable service to his or her credit he or she can draw the benefit immediately upon leaving office regardless of their age at that time.

The philosophy behind this feature was that an MP's pension should provide some immediate income which will assist the member in making the transition from public life to private life. As all members of Parliament know, our tenure in this House is by no means guaranteed. Job security is not just a feature of public life. Our careers as parliamentarians are frequently up for renewal and can be abruptly brought to an end. As well it is not always certain that on leaving office we will quickly or easily find alternative employment.

The availability of immediate income on leaving office can be a particularly important factor for members who have young families who must consider the need for another source of income when no longer receiving a seasonal indemnity but have not yet found new employment.

[*Translation*]

This does not mean that I think that the existing provisions should remain as they are. I do, however, think that in the absence of appropriate transitional measures to help members of Parliament who leave office meet their financial needs, some members may suffer a loss, especially those who leave office when they are still relatively young.

Under the existing plan, a member who is defeated after six years of service does not receive a lump sum separation allowance. Such an allowance is paid only if the member is not entitled to a pension on leaving office.

Many private companies offer employees whose career is unexpectedly interrupted an amount of money to compensate for their involuntary departure, even though the employee may also be entitled to a pension. This provides the laid–off employee with some income while he is looking for a new job and starting over in a new career.

[*English*]

If the payment of pensions under the Members of Parliament Retiring Allowances Act is deferred so that pensions do not become payable until a certain age is reached it may well be necessary to introduce improved separation benefits to ensure that MPs' immediate financial needs are properly met much like the severance pay offered in the private sector.

The question is what would be an appropriate minimum pensionable age for members of Parliament. Some would argue that age 65 should be the pensionable age because this is the most usual age for Canadians to begin drawing a pension. Then again others might feel 60 is appropriate as this is also a common retirement age, especially in the public sector.

I feel that age 55 is justifiable since finding alternative employment at or after this age is not an easy matter.

[*Translation*]

We should also ask ourselves whether there should be a minimum age for eligibility for a reduced pension, say 50 years, and whether members should be allowed to draw a pension before this minimum age in cases of disability.

Should we base our approach on the pension plans offered by other Canadian employers in order to settle on an appropriate pensionable age for members of Parliament, or should we be looking at what is done in other Canadian legislative assemblies?

There are marked differences between the pension plan provisions of the various provincial legislative assemblies. New Brunswick has no minimum pensionable age. MLAs in Saskatchewan, the Yukon and the Northwest Territories cannot draw their pensions until age 55; in Nova Scotia, the minimum age is 50.

A number of provinces use a formula to establish pensionable age. In Newfoundland, the age and the number of years of service must add up to 60. In Ontario, a member may begin to draw a pension when his age and years of service add up to 55.

[*English*]

The province of Quebec provides for a pension to begin when a member of the National Assembly reaches the service and age of 65. The member must be at least 50 years old before receiving a pension.

I am confident that I speak for the vast majority of my fellow colleagues in the House when I state that none of us were motivated to run for public office by mere financial rewards. I am sure that I can confidently say that we all knew what we were getting into despite the many hardships our families must undergo, despite the extra expenses such as clothing, lodging, transportation and others.

We are debating today pension reform. Those who feel underpaid as an MP and those who feel they should be paid what the private sector pays are correct, but that makes for an entirely separate debate. My concern is that if we undervalue the work, dedication and sacrifices made by an MP and their families, we stand to discourage Canadians from wanting to offer their services for public office.

Two questions come to mind immediately. Will people in their forties and late thirties be motivated knowing that they may face the prospects of re–employment near the end of their career? Will we not instead be encouraging only older individuals or rather wealthy individuals to run for public office? Canada would best be served in my opinion by having young and old, small and large business people, young and older lawyers, accountants and professionals. The successful as well as the less successful must all be motivated to seek public office, not just the wealthy.

• (1615)

[*Translation*]

As the hon. members can see, the government should consider the various choices it has and take into account a number of factors in reviewing the Members of Parliament Retirement Allowance Act. The government knows full well that the Canadian taxpayers are against former members of the House of Commons being allowed to receive generous unreduced pensions years before normal retirement age.

We also know that this matter of public concern can be dealt with in a number of different ways. This government remains committed to winning back public confidence and keeping its promise with respect to the reform of MPs pension.

[*English*]

In closing, I fully support the reform of MPs pensions. As well I support the removal of double dipping and I fully support increasing the minimum age to 55 at which an MP may obtain their pension.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I appreciate the member's comments. I want to make a couple of comments regarding his speech and ask him a question or two.

He said he would certainly support any government legislation which would raise the age of anything with a minimum of six years service to age 55. Our party I suspect would support that in the House of Commons if and only if the member's employer–employee contributions would be changed from six to one to one to one. For every dollar we contribute out of our salary the government would match that.

As it is now, and the hon. member should know, the government is putting in about $6 for every $1 that we are putting in. That is unsaleable from sea to sea to sea in this country. I suspect that when he goes home it is not a lot different from my situation or from anyone else here when they hear how people feel.

He talked also about the re–entry to private life in the private sector. There is no one in this Chamber who would disagree that it may be difficult to get back in and work back into the clientele you had before or whatever your professional job was. My trough day will be March 13. I hope we have made substantive changes before then. It is unfortunate that we missed 52 other members. I am willing to say let us make substantive changes to the program before my trough day on March 13.

If I were to re–enter private life then I would get a pension straight through from age 42 on. There is something dreadfully wrong about that. My question to this member is, why can we not have some sort of a severance package for people who are re–entering their private lives? If we are going back into the workforce let us have some sort of severance package that the government would offer. That is fine. But why not defer pensions until a later age? Why should I and other members get a pension straight through from the day after an election? Bang, it

takes place the very next day. Why should I, for instance, be allowed to get a pension the next day?

• (1620)

Why not some sort of generous severance package that will help members reintegrate into life and then the pension is deferred?

I have heard any number of members, including the member for Mississauga South, today talking about this being a family issue now and how painful it is for each of us to go back to private life and get another job. Fair enough. Why not just a severance package that would see us into that entry phase and not a pension that is going to click in the next day and go on for ever and ever, amen?

Mr. Discepola: Mr. Speaker, I said that in my speech. Part of it was in French and the hon. member may not have had her listening device on but I said two things in my speech. The first thing is that I agree there are two separate issues here. One is a question of severance pay when a member is defeated.

The general fallacy here is that when we serve six years, we seem to be able to collect a pension of a million dollars or so. I defy the members opposite to do their records and search. The average tenure of a member of Parliament is probably fewer than six years. I would say it is somewhere between five and six years. That is the average tenure of a parliamentarian. It is because of that job insecurity factor that I spoke about.

I come from a municipal background. Even councillors and mayors have a severance package built in. The law in Quebec now is a formal law that allows for a certain amount of severance package over a certain number of years.

The question of severance is one thing. I agree with the member that we should provide for it in the new legislation to allow people to reintegrate into the workforce. My own personal case is that I had to sacrifice the computer business that I built at the age of 29. I do not think that computer business will survive without me. I hope it will.

The other question is the question of pensions. I disagree with the member totally that the amount of the pension is over generous. If we bring the age up to 55 like I am proposing, that will solve a lot of the problems that the member is speaking of.

The average pension of a member of Parliament at age 55 will be about $18,000 or $19,000. The hon. member may feel that $18,000 is not justifiable in her case. I know that I worked very hard in my case. I have made a lot of sacrifices and my citizens are telling me: "Nick, reform the pension, yes because it is outrageous the way it is now but make it equitable". I think $18,000 at age 55 is not unreasonable and not inequitable.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, I am pleased to rise on this opposition day to speak to the opposition motion, which provides:

> That this House urge the government to replace the current Members of Parliament Retirement Allowance plan with a pension plan that reflects the current norms for private sector pensions, with a maximum contribution in accordance with the Income Tax Act.

I will try to contribute to the debate by offering some food for thought, because I think that the issue of pensions raises considerable concern among Canadians, who ask us many questions on this subject. They ask us these questions because of their perception of members' pensions and benefits.

First of all, the Official Opposition is clearly opposed to the motion as it stands, and I will tell you why. Adjusting pensions in accordance with private-sector standards does not tell us anything about the type of adjustment and the type of private sector.

We wonder if our pensions should reflect the plans established for senior officials and company executives or the already very inadequate pensions collected by some workers in different sectors. The motion does not tell us which way to go. We must do more thinking on the issue and set the conditions in which this reform must take place, before going ahead with such a vaguely worded motion.

It is true that people's perception of members' pensions and benefits is often shaped by the media, which call attention to the significant benefits enjoyed by members of Parliament.

• (1625)

In this regard, we think that the Reform Party's debate on members' pensions should revolve around two extremely important issues.

First of all, the Official Opposition wants to avoid all kinds of double dipping, for example when someone retires after working for the government and then takes another government job, thus accumulating other pensions. I think that, on this, we clearly agree with the other parties that the practice of accumulating multiple pensions must be eliminated.

Our second point is extremely important. Our constituents often bring up the age issue. The matter of pensions must be dealt with fairly and equitably. In this regard, I think that we agree with everyone that the age issue must be reviewed.

May I remind you that one of the Reform Party's election promises was to cut what the party itself calls the three Ps, namely the pay, pensions and privileges of members. That political formation estimates that a significant cut in members' pensions would save around $1.5 million over five years. The approach used is important because members' functions, duties and responsibilities must be considered. I think that dealing

with the issue of members' pensions by cutting government spending is entirely beside the point.

According to Jean Dion, an editorial writer in *Le Devoir*, cutting members' benefits would, of course, save money. After the election, it was estimated that pensions payable to defeated members totalled $109 million over a period of twenty years or one–quarter of one per cent of the deficit for the financial year 1992–93 alone.

A review of allowances, benefits or pensions payable to parliamentarians should not, in our opinion, be seen as a way to put government finances on a sound footing, as a way to fight the federal deficit or to achieve that great common ideal of fair distribution of wealth in our democracy. We should be realistic and consider the context.

On the issue of pensions, of course pensions and salaries are linked because they are part of the total compensation plan. It would be irresponsible to separate them. I think we should follow certain guidelines when we look at the treatment of members' pensions. We should consider making them commensurate with the responsibility a member has. I think there is a context we must consider. We should be able to take this debate a little further. To all the people who are watching us, to all those who sent us to Parliament to manage the government's affairs, we should be able to explain the responsibilities of a member as such, because once we are elected, the first thing a member has to do is to take on the responsibilities and activities that go with his position.

So we should take a good look at the issue of level of responsibility, because it is a factor throughout our society in every area of activity. A society functions and develops because people in a variety of sectors and organizations, both private and public, are responsible and take on certain responsibilities. We should look at members in the same way, as people who perform tasks with a high level of responsibility.

• (1630)

Account should also be taken of what attracts people to the job of member of Parliament. There is no doubt that most of the people elected to this House are people who want to have a responsibility in how the government is run, who want to make a contribution to society, to help it evolve, to see progress made.

We are talking about members from many different backgrounds, men and women, with a variety of skills and training, who are able to seek office and come here to pool their talents and knowledge with other members. In this context, there must also exist a certain number of conditions that will attract people of quality to political life.

Another factor to be considered is our individual financial independence, our own resources to draw on in carrying out our work, with the expenses that entails, and our independence from outside contributions. We must therefore remember that those elected to office must be able to operate in a context of financial independence.

The question cannot be examined without looking at the fundamental framework. Earlier, I listened to my colleagues as they raised a number of concerns that I share. I would like, on behalf of the official opposition, to reiterate a number of these points that we feel are essential to the debate on whether to reform the pension plan of members of Parliament.

First of all, I think that we are all well aware of the precariousness of the positions we hold. I often say to my colleagues and co–workers that we must never forget that we are just passing through, and some do so more quickly than others. Our mandate is for a very specific length of time.

We must, during this mandate, keep the promises and commitments made to the voters. We must deliver the goods in the sense of doing what has to be done within the allotted time frame, bearing in mind that our time here must be time spent doing good work, which means working energetically and steadfastly. We are here for three, four or five years, but we must put in quality time here. We feel that this reflection I am sharing with this House on behalf of the Official Opposition is a fundamental one.

Second, retirement age. Obviously, as we consider the various options, we can see that several different plans are in place in our society. In some professions, retirement age has already been set at 50 or 55 years of age. We know for example, that in the police force, civil service or Armed Forces, you become pensionable at 50. It is important to point out that serious thought should be given to the age issue, on the basis of current developments and what is currently offered in our society in terms of quality.

Members of Parliament, as it turns out, often launch their parliamentary career at a time in their lives when they are at their best in terms of energy. Age data show that indeed a great many of our elected representatives are at the peak of their form, at the peak of their capacity, which does not detract from the skill and quality of younger members or those with a longer experience. But we can see that this is an important time of our lives when we devote to Parliament energies that could effectively been put to use in a career in some other field, like the one we left to come here, one we are dedicated to and may return to when we are done here. But at this important time when we devote ourselves to public management, to the development and

advancement of our society, we do so with all our energies, in the prime of our life.

So, this is food for thought at this important time when members of Parliament devote time and energy to the state and to social development.

• (1635)

I would add that a political career often interrupts a person's significant contributions to existing pension plans. That is why we must provide members with benefits that are at least as good as those they left behind. It is a matter of fairness. We are not saying that members must be paid handsomely and receive endless benefits. Members must not come here feeling that they will hit the jackpot in four or six years with a good pension whatever their age, that they will be happy to take people's money. That is not what we are talking about here. We are talking about important elements in members' lives.

Before coming here, all members of this House already had their own careers in the private sector or in business, industry, professional services, education, health, etc. They had their own lives but they decided to get involved in politics, the vast majority of them, I am sure, to make a contribution to and benefit society through a political party by participating in the legislative and public administration process. Their previous lives, careers and pension contributions cannot be dismissed out of hand. They should in fairness be taken into consideration.

For all the reasons I just listed, the Official Opposition urges all members to continue to work on pension reform without overlooking any of these elements. In conclusion, I reiterate that we are opposed to this motion as long as the alignment of pensions on private sector plans does not take into account all the elements I referred to earlier involving members' responsibilities, precarious position and previous entitlements. Pensions cannot simply be aligned on the private sector as if by magic; a comprehensive review and clear reference points are needed.

Of course, the Official Opposition rejects this motion but urges everyone to continue working on pension reform, keeping in mind the two important factors we recognize. First, the age at which members can collect pensions. We do not feel that pensions are a privilege to which we are entitled at any age in defiance of societal norms. That is something we recognize. Second, the issue of multiple pensions. We find it unacceptable that someone can retire from a job and receive a pension, then turn around and get rehired. We are against this practice. In our opinion, these two elements should be an important part of pension reform. To achieve a truly comprehensive pension reform that is fair to all elected officials, be they men or women, we need a very clear guide to the fairness criteria leading to a real reform.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I want to thank the member for his dissertation. I know he spent a lot of time talking about financial independence and the importance of financial independence for members of Parliament.

I wonder how he reconciles that. We have heard a lot in this House about independence for the province from which he is from. I just wonder how he reconciles those two things, the independence of a member of Parliament, the independence to receive money from the Government of Canada on the one hand and on the other hand that somehow we do not need Canada for any other purpose. How is it possible that the Government of Canada is good enough to receive a pension from but not continually tax the people of Quebec?

[*Translation*]

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, I am not sure that I really understood the question, except that the word "independence" seeems to have led to some misunderstanding. The member heard "independence" and is confused. I do not know. Financial independence is good for anyone. We are not talking about independence for Quebec; we are talking about financial independence for anyone who holds a position. Of course, it is clear that whatever pension rights the Bloc Quebecois has obtained for elected members, it will maintain them in a sovereign Quebec. A sovereign Quebec would give its elected officials the same conditions.

• (1640)

I would like to give a very simple, direct answer on the issue of financial independence. A person should be paid for the work he or she does on the basis of the expenses incurred in doing it. It is also a matter of equity so that elected officials are not placed in situations where they always have to seek compensation from people or organizations providing some service or other because the elected officials do not have the financial independence they need to do their job.

That is why we wanted to include some expenses required in their work as part of the budget members of Parliament have, so that they do not have to have any Tom, Dick or Harry pay their restaurant bills every time, or their hotel accommodation, travel, air fare and so on. We are talking about financial independence so that members can act responsibly and completely free of bribery by others. It is very simple.

[*English*]

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, to the hon. member for Richmond—Wolfe, in the comments you had addressed the fact that you believed that age should be—

The Acting Speaker (Mr. Kilger): I do not want to be left out of this whole debate. Although I do not get to speak I would appreciate your speech to go through the Chair.

Mrs. Brushett: Mr. Speaker, through you to the hon. member for Richmond—Wolfe, in your comments you indicated that age was certainly a criteria that should be looked at. The member also indicated double dipping in terms of future employment.

Would the hon. member also consider previous government pensions as a deterrent in addition to an MP pension as we look at double dipping?

[*Translation*]

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, on the subject of fairness, we must be careful not to take away acquired rights. There are acquired rights. If it is felt that people have too many acquired rights and as a result of some administrative or other process they were given too much, if something was given which upon analysis and consideration is unacceptable, I think that amends must be made.

I will qualify that by saying that we must be careful, on the issue of fairness, to really state the question responsibly, so as not to penalize people who have already obtained certain advantages as a result of some regulation or law, perhaps entirely in good faith. Withdrawing these benefits would be somewhat like going back on one's word. I think that is the opposite of what we want to achieve.

What we want to do is to get things straight and put them in perspective. Above all, we want to be able to answer people who tell us that the double dipping which goes on in the present system is wrong. An MP is in Parliament for six years and regardless of age has a pension that he can take away with him. It is the same for the Senate. It is the same with the other House. Someone is appointed senator and has a salary until age 75, no questions asked, etc.

There is a question of fairness for the future. We must get things straight and not necessarily attack others.

[*English*]

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, it gives me great pleasure to speak on the motion before us. I am delighted because this is an important issue, an issue which the government has pledged to resolve.

The motion talks about replacing the existing MPs' pension plan with a pension plan that reflects the commitments made in the document entitled "Creating Opportunity, the Liberal Plan for Canada".

I am glad the motion recognizes the significant contribution that the red book is making to the debate on MPs' pensions. The red book has helped to focus public attention on the changes required such as double dipping and, one step further, the need of a minimum age requirement.

It is on double dipping that I wish to speak today. As we know, double dipping means simultaneously drawing a salary from the federal government and a pension as a former member of Parliament. It is a practice that many of us have problems with.

• (1645)

Let me remind hon. members of the red book statement on double dipping. We said that a Liberal government will reform the pension plan of members of Parliament to end this double dipping. MPs should not be able to leave office and receive a pension from the federal government if they accept a new, full–time, paying job from the federal government. Nothing could be clearer than that.

This commitment has been repeated by the government since the last election. We will end double dipping. Former MPs will no longer be able to receive a pension and a salary from the federal government at the same time.

Before I go further let me say that I do not wish to cast any aspersions on former members of Parliament who were entitled under the existing act to receive both a pension and a federal salary. There are many former MPs who have served this country well and who continue to do good work in other federal positions. It is clear that the drawing of a pension and a salary at the same time from the public purse is unacceptable though. It is time that these rules are changed.

In the mid–1970s pensions were viewed increasingly as an earned right. Some people viewed pensions as deferred compensation. In their view reducing or suspending pensions on gaining another job was similar to retroactively cutting a pensioner's salary.

In 1975 the government decided that the fairest approach would be to allow federal pensioners to draw pensions and salary unless they again came under the same pension plan. Today this government believes that double dipping must go.

The act which this opposition motion attempts to address is of course the Members of Parliament Retirement Allowances Act. However, the optimum word is retiring. The act was not intended to supplement working former parliamentarians but to provide a retiring allowance for them.

Many Canadians are expressing dissatisfaction with their politicians' pensions and double dipping is contributing to this negative image. We must continue changing the attitudes Canadians have toward their members of Parliament. Turning it around will require time and firm decisions. One of those decisions must be to end this double dipping.

Personally I am not sure that pension changes will single-handedly turn around this perception but I am convinced that removing the right to double dip will help.

I recognize that double dipping is a term that can be applied in different ways. There are several types of double dipping: governor in council appointments where the salary is met by statute; governor in council appointments where the salary scale is discretionary; appointments to the public service under the Public Service Employment Act; serving as a member of the RCMP or the Canadian forces; or by acting as an independent contractor to the federal government. Therefore, dealing with the double dipping question is more complicated than it appears on the surface.

Some members opposite speak of the need for urgency to end double dipping. There is somewhat of an urgency but not as much as some members would like to think as of today. Members will not quit tomorrow to get their pensions. Many of them work hard and serve their constituents. They continue to do so and will continue to do so.

There are some members opposite who do not feel the urgency. One is already collecting a federal public service pension and another is collecting a provincial pension as well as their federal salaries. These members have said they earned their pensions and will not give them up. Could not the Governor General make the same argument?

One of the aims of this government since its election has been the responsible reform of the MPs pension plan. I am sure that hon. members opposite share with us the desire to see that the job of pension reform is done well and not in a haphazard manner. We will not cut the pension plan in order to appease certain interest groups. We must be thorough and fair in what we do.

The political representatives in this Chamber serve Canadians well, as I said earlier, but there is a widespread perception that politicians want to feather their nests. That view is wrong. Yet it will remain as long as we fail to deal with the irritants such as this double dipping.

Politics is a noble calling, referred to earlier by the member opposite, and reflects members' wishes to serve the people of Canada and give something of themselves to their communities.

• (1650)

I reject the claim that most politicians are in politics for the money. No one comes to this place for the sake of money. It does not pay. Many members of Parliament were doing better financially in other careers before they entered politics. They were making contributions to their pension plans and RRSPs which reflected their financial positions.

We must ensure that entering Canadian politics is not a financial drain and that no one is unduly penalized. This place must be accessible to all, not only the rich. It must reflect all aspects of Canadian society. The sacrifices are not only monetary. All members can attest to the time away from their families. One member opposite said: "Of any criticism I ever made of a politician I am now biting my tongue, having lived the life for a year. It is quite demanding."

Although the sacrifices are real they are not an excuse for double dipping. The pension and the salary come from the same taxpayer who has a single pocket. That is why I consider the government's commitment to end double dipping as a very positive signal to the country. It is a sign that this government is listening to Canadians and acting on what it believes in. It gives me hope that Canadian political life will gain in stature in the eyes of the people.

Again, Mr. Speaker, it pleases me that this motion was put forward today. I am pleased that the movers of this motion saw the importance of the red book position, particularly the statement on double dipping. I look forward to their support when the government introduces legislation in the near future.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the hon. member's speech raises the following comment: What a pity the government did not do its homework in this case and has no comprehensive proposal it can table on this issue, because what we have here is a motion that is unsatisfactory.

The Reform Party's motion has no really comprehensive approach to the questions being asked by all voters. Earlier, the hon. member said it contained a point similar to what was said in the Liberals' red book. I think some modesty is in order. The point was raised by all voters we met during the 1993 election campaign. Everyone everywhere, in Quebec and the other provinces, at all levels of society, was wondering how their elected representatives had managed to get terms of employment that were far better than those of most people in this country.

The government, by the way, has yet to meet its commitment, because it has not yet tabled legislation it promised to introduce. And of course the Reform Party could be blamed for presenting a motion that is so vague we cannot vote in favour of it, since we really do not know how the alignment with private sector plans would work.

It seems to me that in his speech, the hon. member talked a lot about avoiding double dipping and also about reviewing the age at which members would receive a pension and introducing a minimum age, and I think we could agree on that. For instance, during the election campaign, people said: Paul, you are 40

years old, which means that when you are 46 or 47, you will get a pension for life, and we pay for it. Nice work if you can get it!

Fortunately, I had the right answer, because I kept telling them: No sir, I do not intend to sit for more than one term in the Parliament of Canada, because I hope I will not have to come back, once we have settled the constitutional issue. I must say I found this answer very convenient.

In concluding, I would like to try to modulate the hon. member's views, and I would ask him whether he does not think it would be advisable for the government to table its bill in the near future, because it has already finished its first year. People who would like to get into politics during the next election, in about three or four years, should have a good idea of what they are getting into, and as well, it may be easier to deal with these issues at the beginning of a government's term.

You have had time to consult the way you consult on all kinds of things. We have probably had enough consultations. So, is the government going to make a decision very shortly so that during its first term, it will have responded to the wishes of all voters who want to ensure that their members are well paid but not excessively so? Their working conditions should make it attractive for talented people to run for Parliament, but at the same time, fairness should be a major consideration within the Canadian system as a whole.

• (1655)

[*English*]

The Acting Speaker (Mr. Kilger): I would ask the member for Trinity—Spadina for a short reply.

Mr. Ianno: Mr. Speaker, first it is our intention to introduce what our commitment was in the red book, as we have done with many of the commitments we have stated in the red book and have fulfilled.

There is a slight concern now. That is we want Canadians to get back to work. That is much more important than worrying in three or four years time about who is thinking about running for this Parliament. Our ultimate responsibility is to make sure that Canadians participate in the economic viability of this nation.

Working with small businesses and many of the issues we are dealing with to try to get the economy back in gear is very much more important than this aspect the member addresses.

The Acting Speaker (Mr. Kilger): 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 The Battlefords—Meadow Lake—Endangered species.

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, it gives me great pleasure to speak on the motion before us. This is an important issue that, as has been pointed out, was dealt with in the red book. This appears to be a controversial issue. Much has been written in the papers and shown on television. The issue raises a question: Are the current pension provisions for members of Parliament appropriate?

The motion proposes to replace the existing pension plan with a pension plan that reflects the commitments made in the red book. It is an issue this government wants resolved. This government plans to keep its promises. The Prime Minister has given a clear indication that we will deal with this issue. The details still have to be worked out.

Today I want to place the issue in context. One of the measures by which we can judge whether the current provisions are appropriate is to look at what other governments are doing around the world. In its report on parliamentarians' compensation, Sobeco, Ernst and Young compared our overall compensation with that of parliamentarians in other countries. These countries were Australia, the United Kingdom, Belgium, Sweden, France and the United States.

As members recall, Sobeco based its studies on our indemnities, allowances, services and benefits as well as those of senators. The firm looked at compensation practices and policies, trying to determine similarities and differences in approach from other countries. Then it estimated the value of total compensation for parliamentarians in each nation. While the roles of parliamentarians differ somewhat in the various countries studied, that does not take away from the validity of the comparisons in the consulting study.

Looking first at total compensation the consultants included base salary, the annual value of the pension plan and private insurance. The results show that Canadian MPs rank in the mid–range of the seven countries studied. The best paid by far are American members who receive more than double what Canadian, Australian and French parliamentarians get.

Australia, Canada and France are closely bunched together and they are significantly ahead of the United Kingdom, Belgium and Sweden. Taking sessional indemnity, our basic salary, we are in much the same position internationally. American legislators are way ahead of us. Their salaries are estimated at over $169,000, while ours are $64,400. The Australians and the French get slightly more and the rest lag a bit behind.

In terms of pensions alone, we rank somewhat behind both Belgium and Australia and ahead of the remaining countries examined. The pension rules vary from country to country. Parliamentarians are entitled to a pension as soon as they are elected in Belgium, France and Britain, while they must serve at least five years in the United States, six years in Canada and Sweden and eight years in Australia. In other countries the pensionable age ranges from a low of 12 years service in Sweden and Australia.

• (1700)

In Britain pensions can be paid to former MPs at 60 if their age and years of service add up to at least 80. Some countries provide reduced pensions to former members if they are retired before the normal pensionable age. The amount of retirement pension required for each year of service is lower than the Canadian rate in Belgium, France, Britain and the United States. It is higher or comparable in Australia and Sweden.

There is quite a wide range in contribution rates as well. Members do not have to contribute at all in Sweden, while the rates are 7.5 per cent of salary in Belgium, 11.5 per cent in Australia, and 1.3 per cent in the United States.

It is difficult to compare group insurance plans in the various countries because of the different social programs in place. Group insurance is paid entirely by the government in all of the countries studied except the United States where the members pay about 50 per cent of their group insurance programs.

Australia and Belgium provide severance allowances to their parliamentarians. In Belgium it is equal to about one month of salary for each year of service and in Australia it ranges from three months salary after one year of service to 26 months after eight years of service.

It is interesting to look at the various allowances available to parliamentarians in Canada and other countries. With expense allowances there is a wide range of practices. France and Belgium have non–taxable and non–accountable expense allowances. In Australia and Sweden this allowance is taxable but work related tax deductions are permitted.

As for travel expenses, Australia, Belgium and Sweden pay for all work related travel by their legislators. In France only the costs of travel between the constituency and Paris are paid.

Most countries have some sort of severance allowance and resettlement provisions to help parliamentarians make the transition to private life. Interestingly, the personal financial situation faced by parliamentarians as they return to private life in France and Sweden has an impact on amounts they are entitled to receive.

From this overall comparison we are neither the best paid parliamentarians at the international level nor the worst. While our pensions may be better than those of parliamentarians in some countries, they are not quite as good as they are in others. In overall comparison we lag well behind our American cousins.

As I said earlier, the Prime Minister has made clear the government's commitment to introduce legislation to change the pension plan. Our party is committed to ending double dipping. I applaud pension reform. I do think it is important for everyone to realize that in terms of overall compensation, Canadian members of Parliament are no better paid than colleagues in most other major western countries and we lag behind a number of countries.

[*Translation*]

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, the hon. member just referred to the bill on the members' pension fund and mentioned several countries, including the United States. The question we must ask ourselves is this: Are the 205 new members in this House, who have no vested rights in the old plan for MPs, not showing good will by wanting to have a new pension plan for members?

The Canadian government could show Canadians good will in managing public funds by showing its good will, and this is an excellent way to do it, by making us elected members do our fair share by cutting some of our pensions, which are paid for from taxpayers' money. Today the government tends to cut social programs, which affects the most disadvantaged people.

I think that as parliamentarians, with the salary we are paid, of course we work long hours and have many responsibilities, but we are paid for the hours we put in and we must realize what it involves when we decide to run for office.

• (1705)

I think that when we talk about cutting the fat, the operations of this House and its members, this is an excellent way to show good will and show Canadians that we are ready to do our fair share.

When comparing ourselves with the United States, we must consider the ability to pay. Can the United States afford to pay into a pension fund for their elected officials? With the debt we have in Canada, which forces us to make cuts in all programs, it would be rather outrageous if members' pensions were not affected.

I want to ask the hon. member a question. Would he agree that the government should show once and for all that it is ready to make an effort by cutting the pensions of elected members or at least eliminating double dipping? We have a 24–year–old member. It would be a little ridiculous for him to have a pension for life after six years, at age 30. Would you agree with me that members' pensions should be cut to prove to Canadians that we are ready to do our fair share as members of Parliament?

[*English*]

Mr. Bodnar: Mr. Speaker, I thank the hon. member for the question. It is difficult to disagree with a suggestion that there have to be certain changes in the pension scheme. Obviously that is what we proposed in the red book, one of them being the elimination of double dipping.

Certainly another aspect that has to be looked at very seriously is the age at which pensions do commence. With pensions commencing as they do now, it is probably quite unfair. The age should be raised. The question would be at what age should a

member obtain pension benefits and as well what benefits should be attributed to that member at that age. It is difficult to disagree with the comments made by the member.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is a pleasure to rise today to speak to this motion.

Before I begin to refer to the body of my text, I have to comment on the waxing eloquence of my hon. colleagues from the Liberal Party regarding the red book. I would very much like to point out to my colleagues that on August 12, 1993 the Prime Minister of today challenged Kim Campbell, then Prime Minister, about pension reform.

On August 11 he challenged Kim Campbell to recall Parliament and said: "We would pass it in one day", meaning pension reform. He was feisty in his request because he added that his party had been proposing these reforms for months:

> "It is 1984 all over again", Chrétien charged. "They said 'here is a fresh face'. They promised a new dimension of objectivity and representation. Now it is the same speech, the same lies and the same promises".

So much for the red book.

The Acting Speaker (Mr. Kilger): Order. I am trying to grasp the context of some of the remarks of the hon. member. In referring to lies, I would hope that we are not in any way insinuating that any one member in this Chamber from any one party would be lying in any way, shape or form. I ask members to keep that in mind.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I was quoting from an article by William Walker of the Toronto *Star*.

Ms. Catterall: Mr. Speaker, on a point of order, I too am trying to reconstruct the words of the member opposite who quite closely linked the word lies with the name of the Prime Minister. I would ask that you as Speaker review the blues and if you find cause, come back to this House and ask the member to please withdraw.

The Acting Speaker (Mr. Kilger): I accept the intervention of the government deputy whip and I do take the undertaking to the House that I will review the blues. If necessary I will come back to the House.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I am going to clarify this right now. This is a quote from an article by William Walker and those are the very words that are printed here that are attributed to the then Liberal candidate, Mr. Jean Chrétien. It is in this article from the Toronto *Star*.

I certainly would never presume to have associated that term with our Prime Minister today. I strenuously object to any suggestion that I would do so.

Mr. Bodnar: You never said it was an article before.

Miss Grey: She sure did.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I shall continue.

• (1710)

Because the issue of MP pensions enrages more Canadians than any other issue in contemporary politics today, and we can certainly see the sensitivity of my Liberal colleagues in the House today, today's motion goes to the heart of what matters in Canada. Believe me, voters will be looking on this day's debate in three and a half years time and they will be looking at what was said and who said it.

This goes to the core of leadership in government. It demonstrates to Canadians that before the politicians ask them to make any more financial sacrifices we will lead by example. This motion demonstrates our sincerity on this side of the House to lead by example, to cut government spending and to inject new levels of integrity into this House. We do this by securing reform of the MP pension plan.

It is ironic to suggest that reforming the MP pension plan is a sacrifice for members of Parliament. All we are doing is taking our existing, outdated, lavish, unfair and expensive pension plan and correlating it with the private sector provisions for employees. This is no sacrifice.

It is an expectation from our electorate that we reform this outrageous pension plan. More than anything else Canadians resent that they are asked over and over again to tighten their belts, that they must pay higher taxes, that their hard earned pay cheques are taxed back to the government. Let us not forget about the eight million Canadians who have no pensions at all.

Canadians are at a point where they no longer believe their politicians are worthy of their support. I know I can speak to the constituents of my riding of Calgary Southeast. In town hall after town hall on the issues of the day that come up number one is MP pensions: "When are you going to get rid of that terrible plan?"

The motion today which states that the House replace the current members of Parliament retirement allowance plan with a pension plan that reflects the current norms for private sector pensions with a maximum contribution in accordance with the Income Tax Act should be supported by all members of the House.

I urge members to put their self–interest behind them and to recognize this proposal is a sound one. Two legislatures have already made cuts to their MLA pension plans. Alberta and Prince Edward Island have made those cuts. These provinces have taken the lead on this issue and it is time that federal politicians followed suit.

Let me share with the House what is happening in my home province of Alberta regarding pension reform. In the spring of 1993 Premier Klein announced that there would be no pension plan for members of the legislative assembly after the next election.

In May 1993 a bill was passed in the legislature to amend Alberta MLA pensions. The members' pension was to be scrapped after the next provincial election. For MLAs who were retiring before the next election their benefits were reduced from 4 per cent to 3 per cent. Members of the legislative assembly's pensions would be suspended if they worked more than a limited period of time for any employer covered by the public service management pension plan, thus eliminating double dipping.

This is a concrete example for change and of a promise that was kept. It is also an example of a decision taken by a government listening to what Canadians are saying.

Let me quote from a letter about pension reform. It was written by a constituent of mine and it is addressed to the Prime Minister and the finance minister:

> Dear Gentlemen,
>
> You gentlemen have suggested Canadians must decide on (1) reduced spending or (2) increased taxes.
>
> Well, this redneck from Alberta gives a resounding voice for reduced spending—reduced spending and no for tax increases in any form.
>
> A good place to start is by example and reduce those obscene pensions enjoyed by MPs (including former MPs as well) to that which is normal for Canadians in the private sector. This would be real leadership. You will find that such action will be received as a demonstration of responsible stewardship and will motivate an atmosphere to undertake a similar we mean business review of all government expenditures by our peers and the senior civil servants for the same purpose.
>
> You will also find that such action and extension thereof will be required to earn the respect of Canadians. It is time for action, not more talk.
>
> The Trudeau regime was undoubtedly the originator of spend beyond your means philosophy. Since then there has been little comfort whether it be Liberal or Conservative governments.
>
> Let us get with it and turn this country around. We just cannot afford non–productive overspending. Think of how proud you would be if you were a real winner.
>
> Yours truly, Ed Ringrose from Calgary Southeast.

• (1715)

Yesterday was trough day. Fifty–two more members of Parliament qualified for gold–plated pensions worth $53 million. We call these gold–plated because they give unlimited protection against inflation. They are payable after only six years in office. We have heard this over and over again and it is fair evidence that this needs to be changed. They are payable immediately after retirement regardless of age. One of my hon. colleagues just mentioned someone who was 24 years old and who perhaps in six years would be eligible for one of these gold–plated pensions.

They accumulate one and a half times faster than the legal maximum in the private sector and are funded about 85 per cent by taxpayer contributions.

I have done my part to reform our pensions. I stated during the election campaign that I would reject outright any MP pension and I have done that. I take far greater comfort in taking care of my own retirement, thank you very much, than a pension plan. Many of my colleagues have done the same.

I urge the House to realize that we need to reform the pension plan. In particular, I challenge the 52 MPs who just became eligible yesterday for a pension to take out of the program only what they put in plus a reasonable interest that they would have received had they invested it for themselves. I challenge them to show leadership by rejecting these gold–plated pensions.

My message today has been straightforward and it reflects the expectations and the emotions of Canadians everywhere. I have spoken often about integrity in government. Canadians have lost faith in their politicians. The last 25 years of profligate spending is clear evidence of the need for reform and leadership in government. We all need to demonstrate a willingness to change.

Canadians want politicians to keep their word, who will bring integrity back to government and who will do everything to give government back to them.

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, the member spoke eloquently about the need for pension reform. It is nice to hear that Reform is on side with us, that it is in favour of reforming pensions. It is a question of what to do.

Quite often people who most often ask for pension reform in a certain manner and ask for certain changes to be made are, as this member very eloquently said that she would not care for a pension from the government, are quite often independently well to do, have other sources of income, or otherwise.

My question is whether this member could tell us how many Reform MPs do not have another business such as farming, ranching, et cetera, or an income from another source or an income from another pension. How many do not have such a source of income?

Mrs. Brown (Calgary Southeast): Mr. Speaker, I am not aware of the exact number but as far as I know most do not.

I am going to take the next few minutes to make a further response to the hon. member's intervention because I do have something I would like to share with him and with others in this House.

I was reading in the *Globe and Mail* yesterday a small article called "Nuspeak" from *The Economist*. It was a series of definitions that have come forward in the last several years. One word I had never heard before was disentitlementarianism

which is a belief that entitlement programs should be dismantled. I look on this gold–plated MP pension plan as one of those entitlement provisions that over time the House of Commons has given to their members.

I guess I would have to call myself a disentitlementarian because I will continue in this regard as far as a pension is concerned.

The constituents in my riding are furious. They continue to be furious about MP pension plans. In the townhall meeting I had last week it did not matter what the topic, it always came back to MP pensions. You could see the red start to rise above their collars. As I said before, voters, the electorate, will remember what has been said today. We have to address that and ignore their concerns at our peril.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I recognize that I do not have a lot of time to speak on this issue but there are a couple of things I would like to respond to that were brought forward, particularly by members on the other side.

Several times I heard speakers say that MPs have to be properly remunerated if we are going to get quality in this place. I remind the hon. members that we have a best selling book out right now called *On the Take* written by Stevie Cameron. It speaks about MPs who are paid very well and who are subscribing to this gold–plated pension plan. The book outlines scandal after scandal of abuse of privileges that are available in this House. Yet this situation is not of concern to the members on the other side because they do not seem to think that the remuneration and the gold–plated pension plan will have an impact.

I suggest that if we can attract people to this place who do not want to be on the take and who are not looking at the pension plan we will probably get better quality. It is those people who are looking for a fleece–lined retirement, looking for that paradise that comes with parliamentary service, that we want to exclude from this place.

I am concerned about these multimillion dollar pensions that, for instance, the member for Sherbrooke will be receiving should his party be decimated and the final two members moved into extinction.

The other concern that I have is that if we do not deal with some of the perks and particularly the pension, Stevie Cameron will write another book and that book will be called "On the Take No. 2". It will refer to the current Liberal government and those members who put their own best interests ahead of the interests of Canadian taxpayers, those members who looked for every possible excuse and made flowery speeches about how deserving they were of all these dollars the taxpayers worked so hard for, to which they are entitled after six short years of service. It is unconscionable.

I urge the other members, in the few remaining minutes and seconds we have, to consider the situation, to support the Reform motion today and to commit to reforming the MPs' pension plan to please Canadians and to restore respect to this place, which is what Canadians are crying for.

[*Translation*]

The Acting Speaker (Mr. Kilger): It being 5.22 p.m., it is my duty, pursuant to Standing Order 81, to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The vote is on the motion standing in the name of Miss Grey (Beaver River).

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Call in the members.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 109*)

YEAS

Members

Abbott
Brown (Calgary Southeast)
Cummins
Forseth
Gilmour
Grey (Beaver River)
Hanger
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jennings
Manning
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solomon
Stinson
Thompson

Benoit
Chatters
Epp
Frazer
Gouk
Grubel
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
Meredith
Morrison
Ramsay
Schmidt
Solberg
Speaker
Strahl
White (Fraser Valley West)—42

NAYS

Members

Adams
Althouse
Arseneault
Asselin
Bachand
Bakopanos
Bellehumeur
Bergeron
Bernier (Gaspé)
Bertrand
Blaikie
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Caron
Chamberlain
Collenette
Comuzzi
Cowling
Crête
Dalphond-Guiral
Debien
de Savoye
DeVillers
Discepola
Duceppe
Dupuy
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagliano
Gagnon (Québec)
Gauthier (Ottawa—Vanier)
Gerrard
Godin
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Irwin
Jacob
Keyes
Knutson
Lalonde
Langlois
Laurin
Lebel
Lee
Leroux (Richmond—Wolfe)
Loney
MacAulay
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Murphy
Ménard
Nunez
O'Reilly
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Allmand
Anderson
Assadourian
Axworthy (Winnipeg South Centre)
Baker
Barnes
Berger
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bodnar
Bouchard
Brien
Brushett
Bélair
Caccia
Campbell
Canuel
Catterall
Chan
Collins
Copps
Crawford
Culbert
Daviault
de Jong
Deshaies
Dhaliwal
Dromisky
Duhamel
Easter
English
Fillion
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway
Gauthier (Roberval)
Godfrey
Grose
Guay
Harb
Hickey
Hubbard
Iftody
Jackson
Karygiannis
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loubier
MacLaren (Etobicoke North)
Maloney
Marchand
Marleau
Massé
McKinnon
McWhinney
Milliken
Mitchell
Murray
Nault
O'Brien
Pagtakhan
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Reed
Richardson
Ringuette-Maltais
Rocheleau
Rompkey
Sauvageau
Shepherd
Simmons
Speller
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Torsney
Tremblay (Rosemont)
Valeri
Venne
Volpe
Wappel
Young
Serré
Sheridan
Skoke
St. Denis
Stewart (Northumberland)
Taylor
Terrana
Tobin
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Verran
Walker
Wells
Zed—190

PAIRED—MEMBERS

Members

Chrétien (Frontenac)
Dingwall
Dumas
Gray (Windsor West)
Mercier
Plamondon
St-Laurent
Clancy
Dubé
Goodale
Lincoln
Parrish
Pomerleau
Whelan

• (1750)

The Acting Speaker (Mr. Kilger): I declare the motion lost.

* * *

PUBLIC SERVICE STAFF RELATIONS ACT

The House resumed from November 17 consideration of the motion that Bill C-58, an act to amend the Public Service Staff Relations Act and the Royal Canadian Mounted Police Act, be read the second time and referred to committee.

The Acting Speaker (Mr. Kilger): Pursuant to the order of Tuesday, November 17, 1994, the House will now proceed to the taking of the deferred division on the motion for second reading of Bill C-58.

• (1755)

Mr. Boudria: Mr. Speaker, as the Chair and all members of this House are aware, we have a long list of votes this evening. To speed up the process, I think you will find there is unanimous consent to do the following.

I think you will find unanimous consent to apply the vote just completed to Bill C-58 which is before us now, as follows: Liberals, in favour; the Bloc Quebecois, opposed; the Reform Party, in favour; the New Democratic Party, opposed; and the hon. member for Beauce wishes to be recorded as having voted in favour of this motion.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

(The House divided on the motion which was agreed to on the following division:)

Government Orders

(Division No. 110)

YEAS

Members

Abbott
Allmand
Arseneault
Axworthy (Winnipeg South Centre)
Bakopanos
Benoit
Bernier (Beauce)
Bethel
Bonin
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Chamberlain
Chatters
Collins
Copps
Crawford
Cummins
Dhaliwal
Dromisky
Dupuy
Eggleton
Epp
Finestone
Flis
Forseth
Fry
Gagliano
Gallaway
Gerrard
Godfrey
Grey (Beaver River)
Grubel
Hanger
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jackson
Karygiannis
Keyes
Knutson
Lastewka
Loney
MacLaren (Etobicoke North)
Maloney
Manning
Marleau
Martin (LaSalle—Émard)
McClelland (Edmonton Southwest)
McKinnon
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murphy
Nault
O'Reilly
Patry
Penson
Peters
Phinney
Pillitteri
Ramsay
Regan
Rideout
Ringuette-Maltais
Rock
Schmidt
Serré
Sheridan
Skoke
Speaker
St. Denis
Adams
Anderson
Assadourian
Baker
Barnes
Berger
Bertrand
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Collenette
Comuzzi
Cowling
Culbert
DeVillers
Discepola
Duhamel
Easter
English
Fewchuk
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gauthier (Ottawa—Vanier)
Gilmour
Gouk
Grose
Guarnieri
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Kerpan
Kirkby
Kraft Sloan
Lee
MacAulay
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McGuire
McLellan (Edmonton Northwest)
Meredith
Milliken
Mills (Red Deer)
Morrison
Murray
O'Brien
Pagtakhan
Payne
Peric
Peterson
Pickard (Essex—Kent)
Proud
Reed
Richardson
Ringma
Robichaud
Rompkey
Scott (Skeena)
Shepherd
Simmons
Solberg
Speller
Stewart (Brant)
Stewart (Northumberland)
Strahl
Telegdi
Thalheimer
Tobin
Ur
Vanclief
Volpe
Wappel
White (Fraser Valley West)
Zed—181
Stinson
Szabo
Terrana
Thompson
Torsney
Valeri
Verran
Walker
Wells
Young

NAYS

Members

Althouse
Bachand
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Bélisle
Caron
Dalphond-Guiral
Debien
de Savoye
Duceppe
Gagnon (Québec)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Ménard
Paré
Rocheleau
Solomon
Tremblay (Rimouski—Témiscouata)
Venne—51
Asselin
Bellehumeur
Bernier (Gaspé)
Blaikie
Brien
Canuel
Crête
Daviault
de Jong
Deshaies
Fillion
Gauthier (Roberval)
Guay
Jacob
Landry
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Marchand
Nunez
Picard (Drummond)
Sauvageau
Taylor
Tremblay (Rosemont)

PAIRED—MEMBERS

Members

Chrétien (Frontenac)
Dingwall
Dumas
Gray (Windsor West)
Mercier
Plamondon
St-Laurent
Clancy
Dubé
Goodale
Lincoln
Parrish
Pomerleau
Whelan

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

* * *

DEPARTMENT OF NATURAL RESOURCES ACT

The House resumed consideration of Bill C-48, an act to establish the Department of Natural Resources and to amend related acts, as reported (with amendments) from a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the report stage of Bill C-48, an act to

establish the Department of Natural Resources and to amend related Acts.

The first question will be on Motion No. 3, standing in the name of the hon. member for Matapédia—Matane.

Mr. Boudria: Mr. Speaker, I believe you will find there is unanimous consent to apply the vote just completed on the previous motion as follows: Liberals, opposed; Bloc Quebecois, in favour; Reform Party, in favour; New Democratic Party, in favour. I may add that the hon. member for Beauce has indicated that he wants his vote to be recorded as nay.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 111)

YEAS

Members

Abbott
Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Brown (Calgary Southeast)
Canuel
Chatters
Cummins
Daviault
de Jong
Deshaies
Epp
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
McClelland (Edmonton Southwest)
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Ringma
Sauvageau
Scott (Skeena)
Solomon
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
Venne

Althouse
Bachand
Benoit
Bernier (Gaspé)
Blaikie
Brien
Bélisle
Caron
Crête
Dalphond-Guiral
Debien
de Savoye
Duceppe
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Kerpan
Landry
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
Meredith
Morrison
Nunez
Penson
Ramsay
Rocheleau
Schmidt
Solberg
Speaker
Strahl
Thompson
Tremblay (Rosemont)
White (Fraser Valley West)—92

NAYS

Members

Adams
Anderson
Assadourian
Baker
Barnes
Bernier (Beauce)
Bethel
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Finestone
Flis
Fry
Gagliano
Gallaway
Gerrard
Grose
Harb
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Loney
MacLaren (Etobicoke North)
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
O'Reilly
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rompkey
Shepherd
Simmons
Speller
Stewart (Brant)
Szabo
Terrana
Tobin
Ur
Vanclief
Volpe
Wappel
Young

Allmand
Arseneault
Axworthy (Winnipeg South Centre)
Bakopanos
Berger
Bertrand
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gauthier (Ottawa—Vanier)
Godfrey
Guarnieri
Harvard
Hopkins
Ianno
Irwin
Karygiannis
Kirkby
Kraft Sloan
Lee
MacAulay
Malhi
Manley
Marleau
Massé
McKinnon
McWhinney
Milliken
Mitchell
Murray
O'Brien
Pagtakhan
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette-Maltais
Rock
Serré
Sheridan
Skoke
St. Denis
Stewart (Northumberland)
Telegdi
Thalheimer
Torsney
Valeri
Verran
Walker
Wells
Zed—140

PAIRED—MEMBERS

Members

Chrétien (Frontenac)	Clancy
Dingwall	Dubé
Dumas	Goodale
Gray (Windsor West)	Lincoln
Mercier	Parrish
Plamondon	Pomerleau
St-Laurent	Whelan

● (1800)

The Acting Speaker (Mr. Kilger): I declare the motion lost.

The next division will be on Motion No. 4, standing in the name of the hon. member for Abitibi. The result will also be applied to Motion No. 6.

Mr. Boudria: Mr. Speaker, I believe there is unanimous consent to apply the vote just completed to the motion before the House, as follows: Liberals, nay; Bloc Quebecois, yea; Reform Party, yea; New Democratic Party, nay; and the hon. member for Beauce wishes his vote to be recorded as nay.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 112)

YEAS

Members

Abbott	Asselin
Bachand	Bellehumeur
Benoit	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Caron
Chatters	Crête
Cummins	Dalphond-Guiral
Daviault	Debien
de Savoye	Deshaies
Duceppe	Epp
Fillion	Forseth
Frazer	Gagnon (Québec)
Gauthier (Roberval)	Gilmour
Godin	Gouk
Grey (Beaver River)	Grubel
Guay	Guimond
Hanger	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hart	Hayes
Hermanson	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Jacob	Jennings
Kerpan	Lalonde
Landry	Langlois
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Manning	Marchand
Martin (Esquimalt—Juan de Fuca)	McClelland (Edmonton Southwest)
Meredith	Mills (Red Deer)
Morrison	Ménard
Nunez	Paré
Penson	Picard (Drummond)
Ramsay	Ringma
Rocheleau	Sauvageau
Schmidt	Scott (Skeena)
Solberg	Speaker
Stinson	Strahl
Thompson	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne
White (Fraser Valley West)—87	

NAYS

Members

Adams	Allmand
Althouse	Anderson
Arseneault	Assadourian
Axworthy (Winnipeg South Centre)	Baker
Bakopanos	Barnes
Berger	Bernier (Beauce)
Bertrand	Bethel
Blaikie	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Caccia	Calder
Campbell	Cannis
Catterall	Chamberlain
Chan	Collenette
Collins	Comuzzi
Copps	Cowling
Crawford	Culbert
de Jong	DeVillers
Dhaliwal	Discepola
Dromisky	Duhamel
Dupuy	Easter
Eggleton	English
Fewchuk	Finestone
Finlay	Flis
Fontana	Fry
Gaffney	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gallaway
Gauthier (Ottawa—Vanier)	Gerrard
Godfrey	Grose
Guarnieri	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Karygiannis	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
Lee	Loney
MacAulay	MacLaren (Etobicoke North)
Malhi	Maloney
Manley	Marchi
Marleau	Martin (LaSalle—Émard)
Massé	McGuire
McKinnon	McLellan (Edmonton Northwest)
McWhinney	Mifflin
Milliken	Mills (Broadview—Greenwood)
Mitchell	Murphy
Murray	Nault
O'Brien	O'Reilly
Pagtakhan	Patry
Payne	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Regan
Richardson	Rideout
Ringuette-Maltais	Robichaud
Rock	Rompkey
Serré	Shepherd
Sheridan	Simmons
Skoke	Solomon
Speller	St. Denis
Stewart (Brant)	Stewart (Northumberland)
Szabo	Taylor
Telegdi	Terrana
Thalheimer	Tobin
Torsney	Ur
Valeri	Vanclief
Verran	Volpe
Walker	Wappel
Wells	Young
Zed—145	

PAIRED—MEMBERS

Members

Chrétien (Frontenac)	Clancy
Dingwall	Dubé
Dumas	Goodale
Gray (Windsor West)	Lincoln
Mercier	Parrish
Plamondon	Pomerleau
St-Laurent	Whelan

The Acting Speaker (Mr. Kilger): I declare Motion No. 4 lost, and consequently, I also declare Motion No. 6 lost.

The next division will be on Motion No. 5.

Mr. Boudria: Mr. Speaker, I believe you will find there is unanimous consent to apply the vote on the previous motion to the motion before us, as follows: Liberals, nay; Bloc Quebecois, yea; Reform Party, nay; New Democratic Party, nay; and the hon. member for Beauce wishes his vote to be recorded as nay.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 113*)

YEAS

Members

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Brien
Bélisle	Canuel
Caron	Crête
Dalphond-Guiral	Daviault
Debien	de Savoye
Deshaies	Duceppe
Fillion	Gagnon (Québec)
Gauthier (Roberval)	Godin
Guay	Guimond
Jacob	Lalonde
Landry	Langlois
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Marchand	Ménard
Nunez	Paré
Picard (Drummond)	Rocheleau
Sauvageau	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Venne—46

NAYS

Members

Abbott	Adams
Allmand	Althouse
Anderson	Arseneault
Assadourian	Axworthy (Winnipeg South Centre)
Baker	Bakopanos
Barnes	Benoit
Berger	Bernier (Beauce)
Bertrand	Bethel
Blaikie	Bodnar
Bonin	Boudria
Brown (Calgary Southeast)	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Caccia
Calder	Campbell
Cannis	Catterall
Chamberlain	Chan
Chatters	Collenette
Collins	Comuzzi
Copps	Cowling
Crawford	Culbert
Cummins	de Jong
DeVillers	Dhaliwal
Discepola	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Epp
Fewchuk	Finestone
Finlay	Flis
Fontana	Forseth
Frazer	Fry
Gaffney	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gallaway
Gauthier (Ottawa—Vanier)	Gerrard
Gilmour	Godfrey
Gouk	Grey (Beaver River)
Grose	Grubel
Guarnieri	Hanger
Harb	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hart	Harvard
Hayes	Hermanson
Hickey	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jennings	Karygiannis
Kerpan	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
Lee	Loney
MacAulay	MacLaren (Etobicoke North)
Malhi	Maloney
Manley	Manning
Marchi	Marleau
Martin (Esquimalt—Juan de Fuca)	Martin (LaSalle—Émard)
Massé	McClelland (Edmonton Southwest)
McGuire	McKinnon
McLellan (Edmonton Northwest)	McWhinney
Meredith	Mifflin
Milliken	Mills (Broadview—Greenwood)
Mills (Red Deer)	Mitchell
Morrison	Murphy
Murray	Nault
O'Brien	O'Reilly
Pagtakhan	Patry
Payne	Penson
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Ramsay
Reed	Regan
Richardson	Rideout
Ringma	Ringuette-Maltais
Robichaud	Rock
Rompkey	Schmidt
Scott (Skeena)	Serré
Shepherd	Sheridan
Simmons	Skoke
Solberg	Solomon
Speaker	Speller
St. Denis	Stewart (Brant)
Stewart (Northumberland)	Stinson
Strahl	Szabo
Taylor	Telegdi
Terrana	Thalheimer
Thompson	Tobin
Torsney	Ur
Valeri	Vanclief
Verran	Volpe
Walker	Wappel
Wells	White (Fraser Valley West)
Young	Zed—186

PAIRED—MEMBERS

Members

Chrétien (Frontenac)
Dingwall
Dumas
Gray (Windsor West)
Mercier
Plamondon
St-Laurent
Clancy
Dubé
Goodale
Lincoln
Parrish
Pomerleau
Whelan

The Acting Speaker (Mr. Kilger): I declare Motion No. 5 lost.

Hon. Anne McLellan (Minister of Natural Resources, Lib.) moved that the bill, as amended, be concurred in.

Mr. Boudria: Mr. Speaker, I believe you will find there is unanimous consent to apply the vote just completed on the previous motion to the motion before us, as follows: Liberals, yea; Bloc Quebecois, nay; Reform Party, yea; New Democratic Party, yea; and the hon. member for Beauce wishes his vote to be recorded as yea.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 114)

YEAS

Members

Abbott
Allmand
Anderson
Assadourian
Baker
Barnes
Berger
Bertrand
Blaikie
Bonin
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Chamberlain
Chatters
Collins
Copps
Crawford
Cummins
DeVillers
Discepola
Duhamel
Easter
English
Fewchuk
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gauthier (Ottawa—Vanier)
Gilmour
Gouk
Grose
Guarnieri
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Adams
Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Bakopanos
Benoit
Bernier (Beauce)
Bethel
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Collenette
Comuzzi
Cowling
Culbert
de Jong
Dhaliwal
Dromisky
Dupuy
Eggleton
Epp
Finestone
Flis
Forseth
Fry
Gagliano
Gallaway
Gerrard
Godfrey
Grey (Beaver River)
Grubel
Hanger
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jackson
Jennings
Kerpan
Kirkby
Kraft Sloan
Lee
MacAulay
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
Massé
McGuire
McLellan (Edmonton Northwest)
Meredith
Milliken
Mills (Red Deer)
Morrison
Murray
O'Brien
Pagtakhan
Payne
Peric
Peterson
Pickard (Essex—Kent)
Proud
Reed
Richardson
Ringma
Robichaud
Rompkey
Scott (Skeena)
Shepherd
Simmons
Solberg
Speaker
St. Denis
Stewart (Northumberland)
Strahl
Taylor
Terrana
Thompson
Torsney
Valeri
Verran
Walker
Wells
Young
Karygiannis
Keyes
Knutson
Lastewka
Loney
MacLaren (Etobicoke North)
Maloney
Manning
Marleau
Martin (LaSalle—Émard)
McClelland (Edmonton Southwest)
McKinnon
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murphy
Nault
O'Reilly
Patry
Penson
Peters
Phinney
Pillitteri
Ramsay
Regan
Rideout
Ringuette-Maltais
Rock
Schmidt
Serré
Sheridan
Skoke
Solomon
Speller
Stewart (Brant)
Stinson
Szabo
Telegdi
Thalheimer
Tobin
Ur
Vanclief
Volpe
Wappel
White (Fraser Valley West)
Zed—186

NAYS

Members

Asselin
Bellehumeur
Bernier (Gaspé)
Bouchard
Bélisle
Caron
Dalphond-Guiral
Debien
Deshaies
Fillion
Gauthier (Roberval)
Guay
Jacob
Landry
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Marchand
Nunez
Picard (Drummond)
Sauvageau
Tremblay (Rosemont)
Bachand
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Crête
Daviault
de Savoye
Duceppe
Gagnon (Québec)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Ménard
Paré
Rocheleau
Tremblay (Rimouski—Témiscouata)
Venne—46

PAIRED—MEMBERS

Members

Chrétien (Frontenac)	Clancy
Dingwall	Dubé
Dumas	Goodale
Gray (Windsor West)	Lincoln
Mercier	Parrish
Plamondon	Pomerleau
St–Laurent	Whelan

● (1805)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

* * *

DEPARTMENT OF CANADIAN HERITAGE ACT

The House resumed from November 21, 1994, consideration of the motion that Bill C–53, an act to establish the Department of Canadian Heritage and to amend and repeal certain other acts, be read a second time and referred to a committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the motion for second reading of Bill C–53.

Mr. Boudria: Mr. Speaker, I believe you will find there is unanimous consent to apply the vote just completed on the previous motion to the motion now before the House, as follows: Liberals, yea; Bloc Quebecois, nay; Reform Party, nay; New Democratic Party, nay; the hon. member for Beauce, yea.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 115)

YEAS

Members

Adams	Allmand
Anderson	Arseneault
Assadourian	Axworthy (Winnipeg South Centre)
Baker	Bakopanos
Barnes	Berger
Bernier (Beauce)	Bertrand
Bethel	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Caccia	Calder
Campbell	Cannis
Catterall	Chamberlain
Chan	Collenette
Collins	Comuzzi
Copps	Cowling
Crawford	Culbert
DeVillers	Dhaliwal
Discepola	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway	Gauthier (Ottawa—Vanier)
Gerrard	Godfrey
Grose	Guarnieri
Harb	Harvard
Hickey	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Karygiannis
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	Lee
Loney	MacAulay
MacLaren (Etobicoke North)	Malhi
Maloney	Manley
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McGuire	McKinnon
McLellan (Edmonton Northwest)	McWhinney
Mifflin	Milliken
Mills (Broadview—Greenwood)	Mitchell
Murphy	Murray
Nault	O'Brien
O'Reilly	Pagtakhan
Patry	Payne
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Reed
Regan	Richardson
Rideout	Ringuette–Maltais
Robichaud	Rock
Rompkey	Serré
Shepherd	Sheridan
Simmons	Skoke
Speller	St. Denis
Stewart (Brant)	Stewart (Northumberland)
Szabo	Telegdi
Terrana	Thalheimer
Tobin	Torsney
Ur	Valeri
Vanclief	Verran
Volpe	Walker
Wappel	Wells
Young	Zed—140

NAYS

Members

Abbott	Althouse
Asselin	Bachand
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Blaikie
Bouchard	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Caron
Chatters	Crête
Cummins	Dalphond–Guiral
Daviault	Debien
de Jong	de Savoye
Deshaies	Duceppe
Epp	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Godin
Gouk	Grey (Beaver River)
Grubel	Guay
Guimond	Hanger
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Jacob
Jennings	Kerpan
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	Manning
Marchand	Martin (Esquimalt—Juan de Fuca)

McClelland (Edmonton Southwest)	Meredith
Mills (Red Deer)	Morrison
Ménard	Nunez
Paré	Penson
Picard (Drummond)	Ramsay
Ringma	Rocheleau
Sauvageau	Schmidt
Scott (Skeena)	Solberg
Solomon	Speaker
Stinson	Strahl
Taylor	Thompson
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne	White (Fraser Valley West)—92

PAIRED—MEMBERS

Members

Chrétien (Frontenac)	Clancy
Dingwall	Dubé
Dumas	Goodale
Gray (Windsor West)	Lincoln
Mercier	Parrish
Plamondon	Pomerleau
St-Laurent	Whelan

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

PRIVATE MEMBERS' BUSINESS

[*English*]

GLOBAL CLIMATE CHANGE

Hon. Charles Caccia (Davenport, Lib.) moved:

That, in the opinion of this House, the government should, in anticipation of global climate change, consider the advisability of promoting energy conservation and efficiency, as well as placing greater reliance on renewable sources of energy so as to reduce dependence on fossil fuels and nuclear power.

He said: Mr. Speaker, in essence this motion is about climate change. It is an issue for the 21st century which has to be tackled in this decade. It is an issue that has serious economic and environmental consequences.

Climate change as predicted by meteorologists and scientists all over the world would have serious consequences on forestry, on agriculture, on fisheries, on biodiversities. Most important from a human perspective are the consequences on sea levels and what that might do to populations around the Pacific whose existence would be threatened by rising sea levels as predicted by some.

• (1810)

Leading scientists and technical experts are telling governments all over the world that greenhouse gas emissions resulting from human activities are increasing substantially. For instance, according to Environment Canada statistics the emissions of carbon dioxide, which I will refer to as CO_2, in Canada alone are on a constant increase and represent by comparison to other nations 2 per cent of all emissions produced in the world. That is second only to the United States.

If we look at the statistics on a per capita basis then we as a nation are at the top of the list when it comes to carbon dioxide emissions. This is due to a number of understandable reasons. It has to do with our climate. It has to do with the great distances and size of our country. It has also to do with lifestyle.

However, the result of these emissions is to be found in an increase in average temperatures in the earth's surface. It is interesting to note there is clear evidence that the average surface temperature of the earth has gone up by half a degree Celsius over the past century. In the case of Canada alone it has been measured as having gone up by 1.1 degree Celsius. The 10 warmest years of the last 100 years have occurred and have been measured since 1980.

Consequently climate change was discussed at length and was almost central in the debates at the 1992 United Nations Conference on Environment and Development held in Rio. On that occasion Canada ratified with many other nations a convention which calls for governments to reduce greenhouse gas emissions to at least 1990 levels by the year 2000. We are very close to that date.

Recognizing the urgency of this issue and recognizing our international responsibilities, the government has actually made a further commitment. It is contained in the 1993 election campaign red book. This commitment is to cut by 20 per cent the carbon dioxide emissions by the year 2005.

As a result of that commitment, federal–provincial negotiations have taken place at an intense pace over the past 10 months culminating with the meeting in Bathurst, New Brunswick a couple of weeks ago. On that occasion environment and energy ministers of the federal, provincial and territorial governments of Canada discussed this matter at length.

We learned on that occasion from newspaper clippings that the representatives of the Alberta government were opposed to any regulations aimed at lowering carbon dioxide emissions in Canada. From the clippings we learned that Alberta wants a voluntary approach only and that this position is also favoured by certain industries. I quote from the *Gazette* of November 8 where we learned the following:

Alberta won't go along with a plan by Ottawa and other provinces for mandatory regulations to reduce carbon pollution and clean up the air. "We're not participating," Alberta's Ty Lund said yesterday as he emerged from a day of talks among Canada's environment ministers.

• (1815)

Mr. Lund, who is the environment minister for Alberta, scoffed at Ontario minister Bud Wildman's comment that some mandatory requirements would have to be put into place to cut

the amount of pollution from smoke stacks and car exhaust pipes.

The question is why is the Government of Alberta opposed to such regulations? Why does it support regulations in other sectors? It accepts regulations and support regulations in aviation, agriculture, health and hygiene, you name it, but it does not want regulations with respect to climate change. Why does the Alberta government not want to help in meeting an obligation to the world community and reduce greenhouse gases, particularly carbon dioxide which is the most prevalent of all the greenhouse gases as we all know?

On the other hand, people in Alberta support the environment and we know that. People in Alberta understand the international obligation that we have. It seems to me that Alberta members of Parliament and senators have a role to play here in convincing the provincial government to co–operate.

In support of what I just said I will quote from the *Globe and Mail* of November 8. According to a poll taken by the Environics Research Group Ltd., the paper stated:

> The public apparently supports change, too. The results of a poll of 1,500 adults taken in August and September showed strong support for strong measures, including majority approval of a 10 per cent increase in energy prices, if the money was used to cut pollution—

That is quite an interesting expression of public opinion. In the *Gazette* of the same day the same point is being made. It states:

> Apparently, so does the Canadian public. Most people interviewed in a new poll said they would be willing to pay 10 per cent more for their energy if the money were redirected to reduce pollution.

Today and for the next three months leading into February the federal Minister of Natural Resources has a very difficult task of seeking the co–operation of provincial and territorial governments so that a national plan can be forged to reduce this type of dangerous emission.

The question is, does Alberta want to isolate itself from this effort? What good would it serve to be alone, saying no to an effort that will attempt to reach the desired goal of reducing carbon dioxide emissions and which cannot be left to the voluntary sector alone?

The question also arises here, to have a complete picture, is what needs to be done? Today's energy policies need to be looked at thoroughly and they need to undergo a profound change at the federal level of government as well as the provincial and municipal.

• (1820)

Let us take, for example, the federal level and in particular the federal Department of Natural Resources, formerly known as energy, mines and resources.

Here we find year after year in the budgets of that department, and particularly in the last 10 years, generous subsidies to the fossil fuel industry. Alone in 1994 and 1995 natural resources, Canada's energy division, just one division within that department, expects to spend a total of $383 million.

Would you believe it, Mr. Speaker, that 87 per cent of this amount will be spent as grants and contributions with most of these funds going to fossil fuel projects? Only a very small portion goes to energy efficiency, energy conservation, and research into alternative sources of energy. In this day and age against the background of the climate change issue, this does not make sense any longer.

Look at the Department of Finance. Here we find generous tax rebates and tax expenditures all favouring the Canadian fossil fuel industry. Actually, if one looks over a period of time, for years the fossil fuel industry sector has enjoyed extremely generous subsidies in the form of outright grants, tax deferments, write–offs, loans, loan guarantees, and exploration subsidies. You name it, Mr. Speaker.

Every year, according to the calculations we have conducted, the federal government gives over $5 billion in the form of tax concessions to the fossil fuel sector. Over $5 billion in tax concessions. If you apply to this amount a tax rate of 20 per cent, this kind of assistance or hand–out, depending on how you want to call it, results in over $1 billion in lost revenue.

As recently as October 1993 during the last campaign, some $85 million was given to the Lloydminster heavy oil upgrader which finally had to be cancelled some six weeks ago. I congratulate the Minister of Finance for that decision. It had to be cancelled after a loss incurred on the part of the taxpayers of Canada of some $945 million.

The amount of $85 million that was made available in October 1993 exceeds by some $20 million the entire 1994 budget for the efficiency and alternate energy program. I repeat, the amount that was given to the Lloydminster project, on its deathbed if you like, exceeded by $20 million the entire 1994 budget for the efficiency and alternate energy program.

This does make sense. There is no coherence in these kinds of financial decisions and budgetary decisions.

To make things worse, the 1994–95 funding for approved efficiency and renewable energy projects was cut back because of budget constraints. In addition, the government in Ottawa currently has a large sum invested in fossil fuel megaprojects, notably Hibernia, which represents a commitment of some $3 billion.

• (1825)

If you put this picture against the background of Canada's commitment to stabilize and then reduce carbon dioxide emissions by 20 per cent, these subsidies clearly must be examined

and must be reapplied and invested in new directions, first for the purpose of increasing energy efficiency and, second, in reducing over the long term our dependence on fossil fuels.

On energy efficiency we find that Canada's global competitors, including Japan, Germany, you name it, have enjoyed strong economic growth because many years ago they understood that energy efficiency means a measure that brings about economic advantages at the same time.

They adopted strong energy efficiency measures. We by comparison must admit that we still have a long way to go. Studies conducted in the United States, New Brunswick, Quebec, and British Columbia all confirm that investments in energy efficiency consistently create more jobs than investments in conventional energy supply projects.

A 1987 study by the Department of Energy, Mines and Resources, which is back quite a while, concluded that investments in efficiency create an average of 19 direct and indirect jobs per every $1 million invested compared to an average of seven jobs per $1 million invested in oil and gas extraction. This is quite a stunning comparison for which we are indebted to the Department of Energy, Mines and Resources which, however, does not seem to be capable of putting its own findings into practice.

Clearly, money saved by industrial, commercial and residential investors in energy efficiency would be freed up and could be respent in other areas of the economy. According to a report for the British Columbia Energy Council by Marbek Resource Consultants and G.E. Bridges and Associates, this respending accounts for more than 50 per cent of all new jobs created and 90 per cent of the net jobs created over equal investments in conventional energy supply projects.

To conclude, if we are to act in our own self–interests for the long term and if we are to meet our obligations internationally because we want to behave as good members of the family of nations where the recognition has been made that there is a serious problem that must be dealt with, Canada needs a national plan on carbon dioxide as other nations already have. Those who do not have it are working at it quite laboriously.

This kind of national plan would set out for each province what each economic sector is to do and what each level of government can do through various means, through budgets, taxation measures, and regulations. All this would be done in order to achieve greater energy efficiency which is an economic plus to achieve reductions in carbon dioxide emissions and therefore slow down the trend in climate change. Finally, it would be to achieve for generations to come this very difficult but necessary, gradual shift in our dependence on fossil fuels to a dependence on renewable sources of energy.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, motion M–168 put forth by the hon. member for Davenport in this House today really caught my interest.

I have had the opportunity to work on regular basis with the hon. member on the Standing Committee on Environment and Sustainable Development, of which he is the chairman.

• (1830)

It is an honour for me to become the vice–chair of this committee. When you look at the background of the hon. member for Davenport and see what kind of work he does on the committee, his care and concern for the important issue of the environment really becomes apparent. He is, of course, a great conservationist, but he is also a great advocate of federalism.

We need not look any further to understand why the people opposite, the Minister of the Environment in particular, have no qualms interfering with the provinces' jurisdiction in that respect. The Liberals wrongly associate the federalist cause with that of the environment. In their view, provinces are small and incompetent entities which are incapable of looking after such a great cause as the environment all on their own, as an exclusive area of responsibility.

They tell us that air and water know no boundaries—what a revelation!—and that this is why the federal government has the duty to control, protect and preserve the environment. They justify encroaching upon a provincial jurisdiction by claiming to be in a better position than the provinces to do so and, of course, by arguing that Canada is a big country, so big in fact that all activities have to be centralized in Ottawa in order for the environment to be protected.

Yet, it is common knowledge that the centralized administration of this huge country does not necessarily have a positive impact in the field. On the contrary, centralizing to excess generally puts increased distance between what is going on in the field and the decision–makers. It is a phenomenon known as ivory tower phenomenon.

But the environment is about what happens in the field. So, serious thought must be given to the implications of increased centralization in that regard.

The hon. members opposite also rely heavily on the global approach argument to justify increasing federal interference with provincial jurisdictions. Their redundant message to the effect that pollution know no boundaries has become their creed and their justification for set themselves up as great national conservationists.

Basically, the government is creating new structures, unscrupulously, without paying any attention to duplication, to what the provinces are already doing. Worse, it takes advantage of grey areas and non-established areas to impose itself upon them. Some have gone along with this federal tactic. It is their choice. Others, on the other hand, see things differently and feel threatened and bullied by the federal government. But regardless of the fears expressed by certain provinces, the federal government, in the name of federalism and a comprehensive approach, pushes ahead and imposes its way of doing things, its standards and its administrative structures.

If this twisted line of reasoning were taken to its logical conclusion, Canada itself would be subordinated to a broader, North American, maybe even planetary, organization with overall responsibility for the environment.

We do not think that this is the best way to preserve and protect our natural environment. We are, of course, in favour of harmonizing standards and requirements, and we certainly support agreements for specific sectors. But we firmly maintain that these standards, requirements and agreements must be implemented on a smaller scale if we are to attain environmental objectives quickly and effectively. The federal government should therefore limit its role, and leave the implementation and administration of environmental matters to the provinces.

The motion by the member for Davenport mirrors only too well his government's desire to centralize and dominate. He would like the federal government to step onto an already very crowded playing field. When he speaks to us about energy conservation and efficiency, the member for Davenport is light years behind Quebec and other provinces who have already taken action in this area.

For several years now, Hydro-Québec, which reports to the government of Quebec, has been offering its consumers programs promoting energy conservation and efficiency. Again yesterday evening, I saw a Hydro-Québec television commercial offering information and a brochure on a new energy conservation program.

• (1835)

I wish to remind the hon. member who tabled this motion that all provinces also operate such programs through their power-producing corporations. The Power Smart Program, among others, has been around for a few years. The hon. member should also know that the federal Department of Natural Resources runs several programs resulting from the Green Plan. There is even an Efficiency and Alternative Energy Branch within this department.

Is the hon. member telling us through his motion that the federal government's own actions are inefficient? That would confirm what we have known and noted for a very long time.

The hon. member's motion shows very clearly once again the federal government's lack of recognition for provincial initiatives and desire to meddle in areas of provincial jurisdiction. I ask the hon. member for Davenport: Why should the federal government promote energy efficiency in Quebec and in the other provinces, when it is already being done, Mr. Speaker?

Would implementing such a motion not lead again to useless, inefficient and costly overlap and duplication, to a waste of public funds which would not achieve anything, except for spreading federal government propaganda?

I am asking myself serious questions regarding the hon. member for Davenport's intentions in putting forward this motion. Even his wishful thinking lacks vigour. The wording of the motion itself is very timid. It says: "That the government should—consider the advisability of promoting—". Let us say simply that one could not go very far with such words. The hon. member for Davenport is usually more specific and vigorous in his proposals.

I want to look at another part of the hon. member for Davenport's timid motion, and I quote: "—in anticipation of global climate change—". The hon. member talks about climate change; he is no doubt referring to global warning mostly caused by greenhouse gases.

I find it a little funny that the hon. member is telling us this when the Minister of the Environment recently admitted that she was not sure she would be able to honour an ambitious promise in the famous red book. This promise in the Liberals' bible said: "Our immediate priority will be to work with all major stakeholders to design a plan to cut carbon dioxide emissions by 20 per cent from 1988 levels by the year 2005". Asked whether she was convinced that this objective could be attained, the minister replied: "Oh, my God! Am I convinced? No. I am not convinced".

She thus admitted her political inability due to the lack of support and backing in Cabinet. Nevertheless, this promise is a key plank in the Liberals' environmental platform. So what is the motion from the member for Davenport worth when an important promise of his party is so easily flouted by Liberal ministers?

Another disturbing point about this promise is the idea now being considered of passing our responsibilities off onto developing countries. Indeed, Canada is showing some openness to the idea of taking credit on its own account for reducing greenhouse gases when it supports or takes such action abroad. If that were so, it would be a blatant admission of failure and proof of the Liberal government's weakness.

The motion of the member for Davenport seems somewhat futile to me. First, it asks the government to duplicate what is already being done in the provinces and in the federal govern-

ment itself; second, it highlights a red book promise that will not be kept, concerning the reduction of greenhouse gases.

The member's motion is not very solid. It shows an obvious lack of front–line information. I am sure that the member can present us with much more substantial motions.

I conclude on an energy–saving note by telling you that on December 8, 120,000 Christmas lights will be lit on and around Parliament Hill—I repeat, 120,000 lights.

• (1840)

Also, I invite you to count how many government vehicles are left idling on the Hill, with their engines running, all day long. A good contribution to saving and the greenhouse effect! I believe that the federal government should do its own homework before imposing on others.

[*English*]

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, one of the main justifications for the use of renewable over non–renewable sources of energy is the greenhouse effect. I believe this is the rationale for this motion from the member for Davenport.

The greenhouse effect is the concept that increased emissions of greenhouse gases caused by human activity such as the burning of fossil fuels will lead to increased temperatures in the global climate, hence the move toward renewable sources of energy as opposed to the burning of fossil fuels.

It is a fact that the earth's surface temperature and human emissions of greenhouse gases have both increased over past decades. However, to suggest that we must abandon traditional sources would be unwise to say the least.

It is important that any shift from non–renewable to renewable resources be based on the merits of that resource, not simply on an anticipation of what may or may not happen. Energy policies must be based on economic, environmental and industrial concerns. I agree that Canadians need to actively participate in energy conservation and efficiency. This does not mean the government should be issued a blank cheque to promote this concept.

The member for Davenport suggests that we should place greater reliance on renewable sources of energy over non–renewable resources. Many renewable energy technologies are available. They are already in use around the globe and can provide different alternatives.

There are several sources including solar power, wind, wave, tidal, and hydro or water power. I would like to go into this a bit to show there is really no easy fix in this huge equation.

Other less known sources include biomass, which is the conversion of plant and animal matter into energy, and geothermal energy which is from within the earth and is very popular in New Zealand.

Converting to renewable sources of energy is not an easy procedure. We need to look at the whole picture when we talk about non–renewable and renewable forms of energy because it is not as simplistic as it may appear at first glance. Renewable energy is not without its own problems. There are economic, environmental and practical considerations that must be taken into account.

California uses several forms of solar energy. There are huge energy collectors which provide electricity for hundreds of thousands of homes at competitive rates. Solar energy is also used for hot water heating in buildings and current solar energy research is looking into the concept of converting direct sunlight into electricity.

Although solar energy appears to be a sound environmental choice there are still considerations. The manufacture, installation and disposal of solar power systems involves environmental health and safety considerations. We need to question how much fossil fuel energy input is required for solar systems compared to fossil energy consumed by comparable conventional energy systems.

The manufacture of solar cells also uses hazardous material such as arsenic and cadmium. Some of these materials can be quite hazardous to the people who use them. What I am simply pointing out is that every area has its problems.

Another concern with solar power is the large amount of land required for the plants. Approximately one square kilometre is required for every 20 to 60 megawatts generated and this causes a problem.

Wind energy is another source of renewable energy. Windmills have been around for centuries and are still functioning in many areas such as California and Denmark. Presently wind turbines produce 1 per cent of the electricity for California and Hawaii and many nations are currently looking into this resource as a positive alternative.

What needs to be noted when we examine these various sources of energy is that almost every energy source has some kind of negative environmental impact. Renewable sources of energy are not without their problems and considerations.

For example, although wind power produces no air or water pollution and does not involve toxic or hazardous substances, it faces public opposition because of its visibility and the noise of the turbines.

• (1845)

Our traditional form of renewable energy is hydro power. Dams generate the electricity through the weight of water going

through the turbines. In Canada hydro electric power produces nearly two–thirds of all of our energy consumed.

Though hydro power is the main form of renewable energy, there are many problems or potential problems connected with it. For example, most of us are aware of the Kemano project in British Columbia. Because this project was exempted from a full environmental assessment by the previous government, resource and community concerns remain in debate with hostile stakeholders in many areas.

The Great Whale project near James Bay also illustrates the continuing environmental concerns of many of these energy megaprojects. As such, British Columbia has gone away from many of the larger projects into much smaller even to the point of small streams and rivers generating small areas that are more environmentally friendly than a huge megaproject.

The seas can also be utilized to create wave and tidal power. Temperature differences between deep cold water and warm surface waters are utilized as a power source called ocean thermal energy conversion.

By and large it is going to be in the end market forces and public demand that will direct the energy market whether it be in favour of renewable or non–renewable sources of energy.

To conclude, these are just some of the issues surrounding the use of renewable sources of energy which need to be considered when we consider whether we should be promoting this form of energy. I am mentioning these because it is easy to look at only one side of the issue without considering some of the associated concerns.

When we talk about shifting from one form of energy to another it is important that the contribution of energy development to the material welfare of Canadians be balanced against environmental sustainability.

In 1992 the production of energy supplies was valued at over $35 billion or 7 per cent of our gross domestic product. It employed over 300,000 people. Energy accounts for 11 per cent of total exports, 17 per cent of all investments and is responsible for an annual trade surplus of over $10 billion. It is a big player.

In summary, I am not suggesting that we promote one form of energy over another or that we should not consider using more renewable sources of energy. However, I do suggest that the energy consumption habits of all Canadians are an area for scrutiny. Rather than generate more energy we need to learn to use less. Therein lies the solution.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I thank you and the hon. members of this House for permission to sit due to a cast on my leg.

I heartily endorse the motion introduced by the hon. member for Davenport this evening. The House has heard something of the history of climate change and what the world and Canada are doing about it.

I should like to present some thoughts on the economic aspects of this issue. Ultimately climate change could have a major impact on jobs, business and farms throughout our country. That makes it a matter of vital importance to every Canadian. We all need to understand and better know what its effects will be.

The impact could potentially be crippling. A melting polar ice cap could disrupt east coast fisheries. Rising sea levels could inundate low lying areas of the Atlantic provinces. On the Great Lakes water levels could fall sharply, stranding industries. We could see more frequent and more violent storms. Draughts could worsen on the prairies. New diseases and insect pests could infest our crops and threaten human health. Flooding could occur in the Fraser River basin. In the north the permafrost would no longer provide a solid foundation for buildings and pipelines, putting existing installations at risk.

These developments would translate into economic loss and it could be more severe because of the particular nature of Canada's economy. This is highly dependent on resource based industries such as agriculture, fisheries and forestry, all of which are very sensitive to climate change.

In view of that sensitivity, Canada must act vigorously to try to mitigate possible climate change. The most direct way that we can do so is by reducing our emissions of greenhouse gases, especially carbon dioxide.

While Canadians make up only half of 1 per cent of the global population, we do account for 2 per cent of the worldwide emissions of greenhouse gases.

• (1850)

On a planetary scale we generate far more than our fair share of greenhouse gases. Unless Canada and other developed countries take the lead and demonstrate that we are serious about cutting our emissions the developing world will not begin to do its part to bring the problem under control.

To remedy the situation we first need to understand why it has occurred, where do Canada's greenhouse gases come from and why are they so high in proportion to our population. The answers to these questions have to do with Canada's geography, demography and economic infrastructure.

We live in a huge thinly settled country of cold climate and long winters. We must make heavy use of transportation, heating and artificial lighting. Our population is growing faster than that of most developed nations. Our economy relies to a disproportionate degree on resource extraction and agriculture. These activities are generally more energy intensive than manufacturing.

We also rely on abundant reasonably priced domestic energy sources such as coal, hydro, natural gas, uranium and oil. We sell to other countries mainly forestry products, minerals, agricultural goods and various energy products.

When the time comes for drawing up international accounts the emissions associated with the activities producing these exports are attributed to Canada, not to the countries that consume the exports. In contrast, Canadian imports are generally less energy intensive but we receive no credit for that.

However, the last factor affecting greenhouse gas emissions cannot be blamed on anyone else and that is the relatively affluent lifestyle of Canadians. We regard as necessities what would be unimaginable luxuries to most inhabitants of third world countries, but those necessities come at a price, our disproportionately high release of greenhouse gases. With many factors conspiring to drive up our use of energy and our greenhouse gas releases it might seem a daunting task to try to hold them to acceptable levels.

Though the picture I have painted may be grim, there are grounds for optimism and the source is the concept that has become a rallying cry for our times, sustainable development. The idea of sustainability entered the public awareness about the same time as the threat of climate change in the mid–1980s. For radical problems it proposes a radical dynamic solution; re–establishing a balance between human activities and natural systems, integrating economic and environmental goals, working not for short term profits but for long term benefits and enhancing the quality of life.

Earlier it had seemed that advocates of the environment had to be adversaries of human progress and vice versa. Sustainable development taught us that this is not the way things have to be. Countless times in the past humanity has turned seeming obstacles into challenges and barriers into opportunities for advancement. That is what the environmental challenge of our time is.

That is what the threat of planet change is, a looming danger certainly but at the same time a spur to find new and better ways of doing business and living our lives. It is an opportunity to do things more efficiently, more effectively, more competitively and, above all, more sustainably. The problem has been clearly identified: rapidly increasing emissions of greenhouse gases accumulating in the atmosphere at record levels, altering climate in ways that may not be completely predictable but are quite possibly very severe. The solution surely is obvious, bringing the emissions under control to keep the changes of climate within acceptable parameters.

The question then becomes how can we control or reduce emissions. We need to reduce the energy needed to power our economy. We need to continue building a less energy intensive economy and choosing a less energy intensive lifestyle. That is by no means a fantasy. After all, over the last two decades we have seen the automobile industry wrestle successfully with this problem. Today it manufactures cars that go much farther on a litre of gasoline and that burn their fuel much cleaner than in the 1960s. That is only an indication of what is possible but it shows us the direction we should take.

We need to work toward energy conservation, energy efficiency and the use of non–polluting renewable energy sources. As representatives of the Canadian public there are many ways in which we can further this effort. One of the most important is by fostering science and appropriate technology development in pursuit of our climate change goals. We must support the people who are looking for new knowledge and new solutions. We must encourage research and development and we must smooth the path from thinking up bright ideas to successfully marketing them on a large scale. New ideas are central to Canada's environmental industries which make up one of the fastest growing sectors of the economy today.

• (1855)

A few weeks ago the government announced a Canadian environmental industry strategy, a co–ordinated approach to promoting this sunrise sector. The potential is for this to become one of Canada's export leaders, developing new energy saving techniques and marketing them domestically and abroad.

Infrastructure renewal is still another opportunity for promoting resource conservation. The old deteriorating installations squander energy and release pollutants. The government's municipal infrastructure program is helping replace these relics of the past with clean and efficient facilities.

I mention as well the high cost of transportation in Canada. Now a new expressway beckons us, one that will not become snowbound in winter or develop potholes in the first spring thaw.

I am referring of course to the information superhighway, the electronic network with possibilities that organizations and individuals are only starting to explore. It is the kind of business that Canada should be involved in where distances and weather are immaterial and energy expenditures are minimal.

These are all measures that promote energy conservation and efficiency and do the right thing for climate change. At the same time, however, they and other initiatives are creating business opportunities and jobs. Another example is the growing technology not only of government installations but also of private homes, offices and industrial plants.

The measures are transforming our country's economy, making our companies more efficient, more productive and more competitive. After all, the firm that can get more for its energy dollar is the firm that can sell at a lower price. In today's cost

conscious, competitive markets, that is the firm that is going to get its customers back.

I have heard claims that we cannot afford action to avert climate changes, that it comes at too high a cost and will price us out of the global marketplace. The very reverse is true. We cannot afford not to act.

Our major trading partners have plans for stabilizing their greenhouse gas emissions by the year 2000. They include Britain, the United States and Germany. Denmark is a northern country with cold temperatures like Canada. Despite that, it has a plan to achieve a 20 per cent reduction in emissions by the year 2005. There may be some doubt about whether all these countries will actually achieve stabilization of emissions at 1990 levels as they are setting out to do but at least they have made the commitment and have started along the path toward that goal.

They are taking steps that all can see and measure. Canada must do the same and members can begin by giving their support to this motion now before the House. It is only sensible to adopt a precautionary approach in addressing the issues of climate change. We must take steps now, not wait until later when more painful or more costly solutions may and will be required.

Granted, climate change poses a great threat to Canada but the effort to counter climate change is an undertaking that summons all the best qualities of Canadians, imagination, drive, a willingness to innovate, an entrepreneurial spirit and a taste for hard work. These are the qualities that built our country and have repeatedly won for it the number one ranking by the United Nations human development index.

Those qualities will help us face the challenge of climate change and in doing so we will ensure a bright, sustainable future for Canada. It is a fine line between a healthy environment, a sustainable environment—

The Acting Speaker (Mr. Kilger): Order. I regret, the member's time has elapsed.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, I am pleased to speak to the motion tabled by the hon. member for Davenport. We both sit on the Standing Committee on Environment and Sustainable Development. Through our numerous meetings, I have come to know the hon. member, who is a former environment minister and also a man dedicated to promoting a sound environment.

However, I am surprised that, given his professionalism, he would table a motion which, albeit positive, is excessively vague and non directive.

• (1900)

Motion M–168 reads as follows:

> That, in the opinion of this House, the government should, in anticipation of global climate change, consider the advisability of promoting energy conservation and efficiency, as well as placing greater reliance on renewable sources of energy so as to reduce dependence on fossil fuels and nuclear power.

With all due respect, I submit that this motion does not have any substance.

"The government should— consider the advisability of promoting—" I have often seen laws and regulations designed to monitor stakeholders more closely. I am referring to the opposite of what is called a toothless piece of legislation. The motion says: "The government should". Does this mean "should" or "should really"?

At the rate Liberals are examining, consulting and discussing, they will consider the issue for a long time. Let me give you an example. The health sector: Four years and $12 million later the government suddenly realizes that this field falls under provincial jurisdiction. It was a mistake. Not to worry. We just start all over again.

Why this vague wording? Maybe the hon. member knows that the government is not able or does not have the will to implement its laws. Canada's environmental act is one of the most comprehensive and complex. We are in the process of reviewing it.

The Canadian Environmental Protection Act gives the Canadian government several powers to reduce our dependency on fossil fuels. However, the act regarding political party financing allows oil companies to make substantial contributions to the party in power. There may not be a link, at least, this is not what I meant.

As I was saying, under the Canadian Environmental Protection Act, the government could have promoted the reduction of energy consumption. It is easy to say, less easy to prove. I will anyway.

The preamble of the act states "Whereas the government of Canada in demonstrating national leadership should establish national environmental quality objectives, guidelines and codes of practice—"

I am not saying I agree with this, but it is in the preamble.

Further in the preamble, it says: "And whereas Canada must be able to fulfil its international obligations in respect of the environment—". I will speak later about the failure to meet the commitments made by Canada in Rio to reduce at the source the emission of greenhouse gases. A lack of will, probably.

In section 2 of the same act, we are told that we can take both preventative and remedial measures in protecting the environment. Preventative and remedial. However in a 1994 catalogue

about human activity and the environment, Statistics Canada shows that between 1985 and 1991, the net production of coal rose from 60,000 kilotonnes to 71,000 kilotonnes.

Statistics Canada lists in this report environmental considerations relating to coal production, including idle land, land cave-in, surface erosion and inorganic detrital matter.

According to the same report, with respect to carbon dioxide emissions caused by the use of fossil fuel, CO2 levels have increased from 387 megatonnes in 1982 to 436 megatonnes in 1992. What we are talking about here is a greenhouse gas. Given these figures, I do not know what to think of the advisability of promotion, as the hon. member for Davenport puts it. At any rate, let us see what else the Canadian Environmental Protection Act says.

In Part II, Clause 47 reads: "The Governor in Council may make regulations prescribing, with respect to any fuel or fuel used for any purpose, the concentration or quantity of any element, component or additive that, in the opinion of the Governor in Council, if exceeded, would, on the combustion of the fuel in ordinary circumstances, result in a significant contribution to air pollution".

• (1905)

Under the new gasoline regulations made in March 1991, Environment Canada carried out 1,141 inspections, but conducted only two inquiries and issued five warnings. Considering that, based on Statistics Canada figures, between five and ten tons of oil are spilled every year in oil-producing provinces, one can wonder if this government really has any will to act.

Before putting forth such a motion, we should check whether or not legislation has already been enacted regarding energy efficiency, fossil fuels and nuclear power. As it turns out in this case, several acts already deal with these subjects.

The Oil and Gas Production and Conservation Act, a federal act, the National Energy Board Act, the Environmental Protection Act, the Canadian Petroleum Resources Act and the Oil Substitution and Conservation Act are already in place to control this type of energy.

As I just tried to explain, Canada has extensive legislation dealing with an area that, I may recall, falls under provincial jurisdiction. Consider Hydro-Québec, which for many years has promoted the cause of saving energy, for instance, through its 1-800-ÉNERGIE line, which is more readily available and accessible than proposals coming from the federal government.

Furthermore, as the Minister of the Environment said herself in Bathurst, if reducing gas emissions is a provincial responsibility, then saving energy should also be a provincial matter. In concluding, as the hon. member for Davenport may have noticed, I felt that his motion lacked consistency and tended to ignore the many jurisdictions around us.

[*English*]

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I cannot support this motion because the framer has used the old debater's trick of setting up a straw man in order to knock it down.

The motion is predicated on the assumption that because there has been a recent warming trend, that we have entered into a period of global climate change. This is alleged to be due to intensification of the greenhouse effect by increased atmospheric levels of carbon dioxide due to combustion of fossil fuels. If that sounds convoluted, I guess it is because it is convoluted.

The framer of the motion, the member for Davenport, has inferred that this hypothesis is universally accepted by climatologists. I would hasten to say this is not true. In fact, I believe that the concept of catastrophic global warming has a lot more popularity in the press than it does in scientific journals. We are now confronted with doomsday scenarios. The hon. member for Cumberland—Colchester repeated a few of them.

It reminds me of a quotation from Goethe who said: "The phrases that men are prone to repeat incessantly end by becoming convictions and ossify the organs of intelligence".

Climatic changes have been observed throughout recorded history and they have been a feature of life on earth for millennia. I am not talking about the gross shifts which resulted from continental drift many millions of years ago. I am referring to changes that have recurred throughout the Pleistocene period.

There have been a series of ice ages and some climatologists suggest that we are still living within a warm cycle of one of them. In any event, it is only a few thousand years ago that this site was overlaid by many hundreds of feet of ice.

On a smaller, more humanly comprehensive time scale there is much evidence of climate change within the last couple of thousand years. For example, I have examined ancient mine workings in the deserts of North Africa and Yemen. These mines date from the very early days of the Islamic period. They come complete with very large piles of slag and piles of water-washed tailings which to me is absolute proof positive that there were, within recorded historical time, large numbers of trees and lots of water available in what is now desert. I am not talking about simple desertification of the sort that we have going on in the Sahel today. I am talking about massive climate change. This has been within the last 1,200 or 1,300 years at most.

• (1910)

There have been cold periods too. The Norse settlements of Greenland, which existed between the 11th and 14th centuries, disappeared because of a climate change. The glaciers actually advanced out over the settlements. They lost all contact with the old country and some hundreds of years later when people came back they found some genetic vestiges of them in the Eskimos. It is only in very recent years that they have begun to find their ancient stone and earth works because the glaciers have been receding again.

Less than 300 years ago Europe had what was called the little ice age, when hundreds and thousands of peasants died of exposure or starvation because their crops failed. We had this terrible cooling period.

Cores of ice from Greenland and the Himalayas prove that carbon dioxide levels on earth have varied radically over time. Curiously one peak period of atmospheric carbon dioxide corresponds to the period of the little ice age.

How much time do I have left, Mr. Speaker?

The Acting Speaker (Mr. Kilger): Regrettably one minute would be about the tops right now.

Mr. Morrison: I would like to present some facts and figures.

The Acting Speaker (Mr. Kilger): Well, it might be helpful to the House if the member could indicate how long that might be.

Mr. Morrison: About four minutes.

The Acting Speaker (Mr. Kilger): Is there unanimous consent to allow the member from Swift Current—Maple Creek—Assiniboia to conclude his remarks?

Some hon. members: Agreed.

Mr. Morrison: I thank the House. We have two well–established facts before us. The carbon dioxide content of the atmosphere is higher than it was a century ago, and the average earth temperature has been increasing for a little over a decade.

Are these two phenomena related? We do not know. There is no convincing evidence to say that they are, and I would say that it ain't necessarily so. There are just too many variables and they are not well understood.

The earth's reflectivity, for example, varies from year to year, depending on the amount of frost and snow we get in the polar regions, or depending on the amount of cloud cover. Ocean currents, particularly in the eastern Pacific, have a gross effect on temperatures. Solar flare activity is probably the most important, and yet this is a factor that has never been thoroughly studied and is only partially understood.

However, let me play devil's advocate and say that, okay, CO_2 increasing in the atmosphere is truly a problem. Termites are said to contribute 50 billion tonnes a year of carbon dioxide to the atmosphere. That is more than is produced by all of the human consumption of fossil fuels on earth. If we are having an increase in CO_2, the major contributor is probably a negative rather than a positive effect. I am referring to the destruction of the world's rain forests which serve as a carbon sink. If the carbon dioxide has nowhere to go it stays in the air.

To proceed with an energy plan based on flimsy and rather badly scientifically studied evidence I would say is irresponsible, and I wonder if the long term motive behind all of this might be to excuse the installation of the carbon tax. We have discussed that several times in the House.

But suppose global warming is a real threat? What are the reasonable alternatives? The motion speaks of alternative energy sources, but in my experience alternative energy, as most people describe it, could more properly be described as "supplementary energy". Wind, solar and biomass all have a legitimate place in the energy mix but to quote Dr. Petr Beckmann: "You cannot run a modern industrial state on sunbeams, summer breezes, fumaroles and chicken manure". There are only three practical energy alternatives and those are coal, oil, and nuclear.

• (1915)

The hon. member for Davenport as a scientifically trained man knows that wind and sunlight are very diffuse sources of energy. For example, the total energy output from the sun which can be received on earth under optimum conditions at the equator is not much more than one kilowatt per square metre.

I would suggest that my colleague's estimate of land requirements for solar thermal conversion are low by a factor of about five. I sharpened up my own pencil and using very optimistic assumptions of thermal and mechanical efficiency, panel spacings and so on, I calculated that a 600 megawatt solar plant would occupy a land area of about 50 square kilometres.

This monster, according to the Solar Energy Research Institute, or some figures I have extrapolated from one of its publications would require about 20,000 tonnes of aluminum, 1,200,000 tonnes of concrete, 350,000 tonnes of steel, 45,000 tonnes of glass, and 4,500 tonnes of copper.

What would be the energy balance? I would hesitate to try to calculate it. I do not feel I have the competence but I wonder with all of those extremely high energy consuming materials if we would not end up with a solar plant serving out its total operational life and giving out less energy than what went into building it in the first place.

I had a few more words but I think I have run out my four minutes. I got in what I really wanted to get in and I thank the House and the Speaker for their courtesy.

The Acting Speaker (Mr. Kilger): Let me ask, colleagues, if that same co–operation would allow us to go to the mover of the motion. The hon. member for Davenport under right of reply is entitled to two minutes to close off the debate on this motion. Agreed?

Some hon. members: Agreed.

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, thank you for this opportunity.

Indeed as in every other debate there is a lot to be learned. I have learned a lot during this hour from the input given by my colleagues whom I would like to thank.

The member for Swift Current—Maple Creek—Assiniboia has done a lot of homework. It seems to me however that he is putting forward observations that over the centuries have been made by the scientific community and which are geologically proven, no doubt.

However he is not aware of the fact that in recent times, in 1988 in Toronto at the international conference attended by scientists the scientific community concluded that there is a problem here in terms of climate change. Yes, there were a few dissenting voices but nevertheless a large part of the scientific community was of the opinion that we have to deal with climate change resulting from greenhouse gas emissions. That conclusion was reinforced and fleshed out in more detail in 1991 at the climate conference held in Geneva.

Next year in March a second conference on climate change will take place in Germany at which governments will participate to work out a global plan.

Evidently the scientific community first and then the politicians in the world have come to a conclusion of substance here despite all the understandable and justifiable doubts that have been expressed by the hon. member.

I concur with the member for Comox—Alberni in his warning that it is a difficult path. Change cannot be achieved overnight. We have to look at a mix if I understood him correctly and not rely on a shift from one set of sources, the non–renewable to the renewable, and hope that the problem will dissolve. He is quite right. We cannot do it quickly and it is a very long and difficult path.

• (1920)

It seems to me that the members for Laurentides and Terrebonne missed the point. We, or at least I look at this issue as a form of co–operative federalism. They interpret this issue as one of interference in provincial jurisdiction. Evidently there is a profound ideological difference.

To conclude, I would like to thank and express my gratitude to the member for Cumberland—Colchester for her impassioned and very interesting intervention, for her incisive analysis, for her support and for warning us about the importance of the precautionary principle.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96 the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

ENDANGERED SPECIES

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on November 17 the Minister of the Environment released a discussion paper concerning endangered species in Canada. That discussion paper proposes that the laws protecting Canada's endangered species be strengthened. I could not agree more. In fact there is something in this that most Canadians do not know.

Canada is one jurisdiction in the world that does not have federal legislation protecting species at risk. We do however have provincial laws that have been praised for their efforts. In Ontario I might mention Jim Wiseman. The NDP MPP for Durham West has brought forth a private member's bill that has received broad support. Wiseman's bill which passed second reading with unanimous consent of the provincial legislature last week would promote identification and assessment to conserve, protect, manage, restore and reintroduce as well as rehabilitate endangered, threatened and vulnerable species in their habitats.

In spite of this eight out of Canada's ten provinces and two territories have no specific legislation protecting endangered species. Most provinces do have general wildlife laws, but these are directed primarily at regulating hunting of game species. We cannot forget that Canada is a nation with a strong international reputation for environmental awareness. It is a shame that we still do not have federal legislation dealing with endangered species.

Although Canada does a good job at identifying species at risk and preparing lists of species that require attention, Canada does not have any laws requiring that anything be done once a species is listed in any way. I have heard the situation described as operating similar to a hospital which records the names of its patients, assesses their illnesses, but does absolutely nothing to treat them.

As a member of Parliament from the prairies I want to bring to the minister's attention the example of the burrowing owl. It has been listed as endangered for years. It is a small owl with the unusual habit of nesting underground.

The biggest threat to its survival I am told is the use of a particularly toxic pesticide called carbofuran. There are other chemicals that could be used to do the same thing. Some farmers have joined a World Wildlife Fund program to save the burrowing owl by setting aside certain parts of their fields, but their actions are purely voluntary.

At the same time as this activity is going on at the federal level, the registration of carbofuran is still under review by Agriculture Canada. If Canada had endangered species legislation, alternatives for carbofuran could be mandated to protect the burrowing owl before it slides further toward extinction.

It should be noted that Canada played a leadership role at the Rio de Janeiro international United Nations environment conference in the negotiation of the biodiversity convention now signed by 160 countries. Canada would therefore have an obligation in international law to live up to its terms which include a commitment to establish legislation or regulations for the protection of threatened species and populations.

In follow up, the House Standing Committee on the Environment in November 1992 unanimously agreed to consider the necessary legislation that would act to protect species, habitat, ecosystems and biodiversity in Canada. We have yet to live up to that commitment or the recommendation of the committee.

Canada, we recognize, does have divided and overlapping jurisdictions but it is essential that Canada's federal, provincial and aboriginal leaders work in a co–ordinated way to ensure that this happens as soon as possible.

The Rio convention on biological diversity was signed by Canada on June 11, 1992. The convention stands for the recognition of the value measured as economic value, aesthetic value, value from ecological services and even the spiritual value of maintaining the wealth of plant and animal species and of their genetic diversity found on the planet earth.

It would be most appropriate for Canada's first federal legislation dealing with species protection to be ready for introduction on June 11, 1995, the third anniversary of the signing of the convention.

The Minister of the Environment has indicated in the discussion paper that she and her department will consult with Canadians with an idea to bringing in new legislation. In suggesting that the minister consider June 11 as the target date, I ask that she plan for a specific date for the introduction of what will be significant and important legislation for all of us.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, last Thursday the Deputy Prime Minister in her role as Minister of the Environment met three young children who came from three Canadian cities, Calgary, London and Moncton, asking this Parliament to do more to protect endangered species.

As the hon. member has noted, on that same day the minister released a discussion paper for a new framework to protect endangered species. That paper sets out a national framework for comprehensive protection of all endangered species in Canada. Currently there are 236 endangered, threatened and vulnerable animal and plant species in this country.

We released this paper to stimulate public thought and discussion. In January and February there will be public consultations. We need the views of scientists, aboriginal people and environmentalists, as well as farmers, fishermen, labour groups, businesses and local communities.

The discussion paper sees federal framework legislation as one component of a national approach that could be introduced in the House next spring. This legislation could establish a national, independent, scientific body and it could also set up a process for assessing the status of species considered to be nationally endangered. The species listing from that process would become a schedule under the federal act but also could be incorporated into provincial legislation.

The federal government cannot nor does it want to move alone to ensure protection for all species. We need to work closely with the provinces. A national approach to endangered species protection will allow federal and provincial actions to complement each other, not compete.

We are only going to succeed to save endangered species if all Canadians co–operate and if we listen to the concerns of all Canadians. We must ensure that federal and provincial laws work together. That is the only way we can save our endangered species.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted.

Accordingly, this House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 7.28 p.m.)

HOUSE OF COMMONS

Wednesday, November 23, 1994

The House met at 2 p.m.

Prayers

[*English*]

RESIGNATION OF MEMBER

The Speaker: It is my duty to inform the House that a vacancy has occurred in the representation, namely Mr. Gauthier, member for the electoral district of Ottawa—Vanier, by resignation, effective today, November 23, 1994.

[*Translation*]

Under section 25(1)(b) of the Parliament of Canada Act, I today addressed a warrant to the Chief Electoral Officer for the issue of a writ for the election of a new member to fill this vacancy.

[*English*]

It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*Translation*]

CHINESE IMMIGRANTS

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, between 1885 and 1923, immigrants from China had to pay a tax to enter Canada.

[*English*]

By 1923 the Canadian government collected approximately $23 million from Chinese immigrants. After the tax was removed the government enacted the Chinese Immigration Exclusion Act which forbid the immigration of Chinese to Canada and as a result less than 50 Chinese entered Canada between 1923 and 1947.

The legislation applied only to Chinese separated families and imposed immense hardship on a community that built the railway, the national dream.

Both the Chinese Canadian National Council and the National Congress of Chinese Canadians have called upon successive Canadian governments to acknowledge the grave injustices and racial discrimination inherent in the head tax of the exclusion act.

[*Translation*]

I encourage the Canadian government to recognize the enormous contribution made by the Chinese to Canada and to resolve the problem of the tax and the Chinese Immigration Exclusion Act as soon as possible.

* * *

NATIONAL PATRIOTS DAY

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, on this National Patriots Day, Quebecers pay tribute to the thousands of men and women known as Patriots, who believed in the need for their people to be recognized as a nation able to take charge of its own destiny and who demanded that truly democratic and responsible institutions be created and fundamental freedoms granted.

Whatever our views today of the appropriateness of the means some of them used, we must recognize that their actions led to the establishment of responsible government, on which are founded our democratic institutions.

When we pay tribute to the Patriots, we are also recognizing the determination and strength of conviction of well-known politicians such as Louis-Hippolyte Lafontaine, Louis Joseph Papineau and George Étienne Cartier, all of whom were first and foremost Patriots. It is my hope that this House will take note of the lessons of history when, in the very near future, it considers a motion recognizing the true role of the Patriots.

* * *

[*English*]

BOSNIA

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, hostilities in Bosnia have recently increased. Canadians are concerned for the safety of our troops in the region.

The United Nations laid down restrictions to prohibit local air force intervention in the conflict. We support the recent NATO air strikes enforcing the no fly zone.

A rule laid down and not enforced is worse than no rule at all; it is important that all combatants understand that the UN means what it says. Thus, this action has advanced the cause of protecting declared safe zones and allowing the provision of humanitarian aid to continue. Once again we want to express our

admiration of and support for our Canadian forces in that theatre.

Now that the United States has lifted its participation in the arms embargo, there is concern for how this will affect the situation in Bosnia. The Prime Minister has on several occasions stated that if the arms embargo is lifted Canadian forces will be withdrawn. Britain and France have voiced similar policies.

We hope the Canadian government will soon provide an update as to what negotiations are taking place and what actions are being considered.

* * *

B. C. WINE INDUSTRY

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, the term wine and dine has taken on new meaning in my home province of British Columbia. Going out are the French Burgundies and California Chardonnays. Coming in are the British Columbia Pinot Blancs, Pinot Noirs, Gewurtraminers and Merlots.

B.C. wine industry sales climbed to nearly $20 million in the last year and a national export committee has been created to market abroad. Although the acreage used for viticulture in B.C. is a fraction of that of France, Australia or California, B.C. wines have won numerous awards over the past few years.

Through the tireless work of the Vintner's Quality Alliance and local growers the quality of B.C. wines has improved dramatically over the past decade. Concentration on German style wines and higher quality vinifera grape varietals has contributed to this success.

Many B.C. wines, including Cedar Creek of Kelowna, have won international awards. However the crowning glory came with the recent award of the coveted British Avery trophy to Mission Hill Winery of Kelowna. This prestigious gold medal heralds the maturity of Canada's wine industry. At last our wines can enjoy the international reputation—

The Speaker: The hon. member for Rosedale.

* * *

REGISTERED RETIREMENT SAVINGS PLAN

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, many of my constituents have contacted me recently regarding the advisability of taxing RRSPs. Many of them oppose taxing RRSPs because they are aware of the importance of RRSPs to individuals who are not employed by institutions and who have no other way of saving for their retirement. Taxing RRSPs would afford such people less protection than those who work for government, large corporations or other institutions. As a matter of principle such unequal treatment is unfair.

• (1405)

Taxing RRSPs runs counter to our government's active encouragement of the growth of small and medium size enterprises. Entrepreneurs running these businesses rely on the RRSP system to save for their futures.

Finally the Canadian savings rate is low. Investments in RRSPs may reduce immediate government tax revenue but create pools of capital for the benefit of all Canadians. This source of capital must not be forsaken merely to encourage immediate government consumption.

* * *

NATIONAL CHILD'S DAY

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I wish to recognize National Child's Day and to recognize the unique needs of children in rural Canada.

It is important for all members to remember what a precious resource our children are and for us to be mindful of their interests in our policy decisions. We must remember that the future that we are helping to create is their future.

We need to support children in our rural communities by ensuring that they have access to child care. We need to ensure that they continue to have access to quality health care and education. We also need to support continued diversification of our rural communities to ensure that rural children can have bright futures in their home communities.

In closing, I wish to recognize my own children who have been a source of joy, inspiration and pride for me and for whom I will always be thankful.

* * *

[*Translation*]

MINISTER OF CANADIAN HERITAGE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, Sunday night, on the television program "Soirée des masques" broadcast by the French network of the CBC, the Minister of Canadian Heritage told viewers that he liked theatre, in fact, he attended it regularly at the House of Commons.

I would like to remind the minister that the House of Commons is not like the Compagnons de Saint–Laurent. This is the real thing. When the Official Opposition asked for his resignation after he intervened with the CRTC, it was for real.

It is reprehensible that our heritage minister casts discredit on an institution such as Parliament with his inept jokes that amuse no one, implying that what goes on in this place has more to do with playacting than with real life.

Since the Minister of Canadian Heritage is unable to see the distinction between theatre and real life, he is unfit to serve as heritage minister, a position which entails the responsibility of ensuring the survival and development of the francophone and Acadian communities. Their circumstances are neither a tragedy, nor a farce, but a daily fight for the right to live in French.

* * *

[*English*]

PATRONAGE

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, does this sound familiar: "As this tired, old government drones on toward an overdue election the list of promoted hacks and bagmen grows even longer and so does the odour of nepotism, patronage and payoffs. In recent days we have witnessed an orgy of Tory patronage that defies imagination"? Only last year this was said by my hon. colleague for Kingston and the Islands in response to Tory patronage appointments.

It is amazing how going from opposition to government shortens the memory. I guess that explains the decision to appoint two more senators for nothing more than pure patronage. This is an obscene affront to democracy. It just goes to show the extent to which the Liberals are really concerned about restoring honesty and integrity in our political institutions.

* * *

ABORIGINAL FRIENDSHIP CENTRE PROGRAM

Ms. Albina Guarnieri (Mississauga East, Lib.): Mr. Speaker, I would like to comment on the statement made yesterday by the member for The Battlefords—Meadow Lake regarding the potential funding scenarios to the aboriginal friendship centre program.

On behalf of the Minister of Canadian Heritage, last Friday I met personally with the National Association of Friendship Centres and had an opportunity to listen to NAFC concerns about the program review exercise and the impact on their centres, several of which I have visited in recent months.

[*Translation*]

The federal government recognizes that the aboriginal friendship centres movement is essential to the cultural survival of native people who leave their reserves to settle, whether on a permanent or a temporary basis, in the city.

[*English*]

The program review exercise is a government wide initiative. The Department of Canadian Heritage as well as other federal departments will have to make decisions that will be consistent with government policies and priorities.

[*Translation*]

The Liberal government has made it one of its priorities to help communities—

The Speaker: Unfortunately, I must interrupt the hon. member.

* * *

• (1410)

LEBANON

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, it is with great pleasure that I rise today to draw attention to an important day for Canadians of Lebanese origin.

Yesterday marked the 51st anniversary of the proclamation of the independence of Lebanon. I wish to pay tribute to Lebanese–Canadians for the contribution they have made to this country since they immigrated here.

[*English*]

The importance that Canada places on its relationship with Lebanon was recently demonstrated with the announcement to reopen the Canadian embassy in Beirut in the new year. It is my hope that the peace being established in Lebanon will bring with it a renewed hope after much suffering.

[*Translation*]

I would like to extend my best wishes to all Lebanese–Canadians in my riding of Saint–Denis, and in particular to those who belong to the Quebec Lebanese–Syrian Association who recently celebrated the 75th anniversary of the founding of their association.

[*English*]

Best wishes to all, ahid esteklell, merci beaucoup.

* * *

[*Translation*]

INTERNATIONAL TRADE

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, it is with a great deal of pride and interest that, like all Canadians, I followed Team Canada's great performance in Asia. I wish to express all my admiration to the Right Hon. Jean Chrétien and thank him for successfully leading the largest mission ever seen in China.

Mr. Prime Minister, you showed the entire world that Canadian expertise is an exportable asset and that our products are among the best in the world. Through your firmness, assurance and patience, you have rallied the provincial premiers and the cream of business people in Canada and Quebec around you.

Whether Mr. Parizeau likes it or not, Quebec was represented very well by the hon. member for Saint–Maurice.

What more could we ask for?

Mr. Prime Minister, I pay tribute to your know–how. The contracts and trade agreements you have managed to secure for Canada are a coup that even Germany, an exporting country par excellence, could not score.

* * *

GOVERNMENT FINANCES

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, in one year, the Liberals have had enough time to demonstrate their management skills. Did they manage to put the government's fiscal house in order? Unfortunately, no.

The Liberals did not do anything to collect the $6.5 billion owed in back taxes. They would rather cut social programs indiscriminately.

The Auditor General's report shows that the government does not know how effective its programs are, as it prepares to axe them.

Instead, the Liberals should have the courage to cut the department of defence. Mismanagement of real property causes annual losses of $100 million, while $700 million could be saved on information technology projects. But that is something they leave alone.

In one year, the Liberals should have brought the government's finances under control. Unfortunately they failed to do so.

* * *

[*English*]

PENITENTIARY INMATES

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I thought the golf course at Ferndale penitentiary was too much. I thought that prisoners getting old age security and GST rebates was repulsive. Free condoms to support their habits and conjugal visits for relief was a lot to expect.

Holy smokes, the prisoners are at it again. Cigarettes at Saskatchewan penitentiary are $1.12 less on the inside than they are on the outside. At the Edmonton institution they are $1.27 cheaper and at the Atlantic institution $1.42 cheaper, and on and on it goes.

To commemorate the occasion of cheaper smokes for prisoners on the backs of the taxpayer, I am introducing a new brand packaged by Liberal & Co., tested by the health minister and financed by the Solicitor General. No, they are not Benson & Hedges; they are Marleau & Grays for the inmate who has everything.

* * *

AUDITOR GENERAL REPORTS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, while I agree with many of the observations made by the Auditor General and disagree with others, I want to put on the record a concern of mine which has grown over the years with the release of successive auditors general reports. The value for money concept was always loaded in my judgment, but increasingly it is obvious that the Auditor General is making value judgments, policy judgments, and policy prescriptions that are the purview of government and Parliament.

The Auditor General should not be giving us his opinion on whether social programs create dependence. They may or they may not. It is not the Auditor General's role to have an official opinion on this point.

The Auditor General is welcome to point out that the government is not doing a good job of collecting the taxes owed it, thus contributing to the deficit, but it is not his business, for example, if he were to do so, to recommend what kind of tax system we should have.

* * *

[*Translation*]

GILLETTE FARM

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I want to stress how dismayed the population of Glengarry—Prescott—Russell feels following the fire that destroyed one of the most prestigious dairy farms in this country.

• (1415)

The Gillette farm located in Embrun, in my riding, was the biggest dairy farm in eastern Ontario and was renowned throughout the international farm community.

I have personally accompanied some of my parliamentary colleagues and foreigners who wished to tour this remarkable business. Farmers from around the world have looked to this farm for inspiration.

Fortunately for our region and for the farm community, the owners of this dairy farm, Dr. Gilles Patenaude and his sons, are not letting this tragedy get them down and are already talking about rebuilding it. We wish them all the courage they will need to get their operation going again.

ORAL QUESTION PERIOD

[*Translation*]

MATTHEW COON–COME

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, last Friday, the Cree chief Matthew Coon Come was in Washington continuing his smear campaign against Quebec in the United States, using insulting terms and accusing the Quebec government of pursuing a racist policy toward the Crees.

My question is for the Prime Minister. After finding out what Cree Chief Matthew Coon Come said, did he instruct the Canadian embassy in Washington to set the record straight with the American authorities?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I obtained information from the Canadian embassy in the United States. Mr. Coon Come addressed an audience in a debate in which Quebec and other parts of Canada were represented and what he said was debated. The other side was presented publicly at that time. Since it was a debate, the record was set straight by the people there, who had been invited by a group of academics. So the embassy did not think that it had to intervene. Opinions are expressed everywhere in Canada.

As I said yesterday, people whom I know very well and even see in my riding often say things about me that I do not like. But in a democracy, we have to live with it. I see that Premier Parizeau, who was accused, defended himself. Later the Indian chief said that he did not want to attribute those words to Mr. Parizeau. According to the information I have, he issued a correction.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I think that the Prime Minister is minimizing the situation. Keep in mind that in this case a Canadian province and one of Canada's two main language communities are being attacked and accused of a very serious charge of racism. Therefore I think that the Prime Minister should take this matter more seriously.

How does he explain, for example, that the Canadian embassy did not intervene to set the record straight the day after Mr. Coon Come made his remarks, while in the case of clear cutting, for example, the embassy did a very fine job and quite legitimately intervened with the American authorities to correct the information going around Europe on the clear cutting done by Canadian paper companies, and even spent $4.5 million for this purpose? Why did it not show the same vigilance, since this embassy has just demanded the exclusive right to represent Quebec's interests in Washington?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have just given a very clear explanation. It was a debate. Someone reportedly expressed an opinion that was contradicted by other people who were there. Today, that person says he was misinterpreted and did not want to attack Mr. Parizeau. Mr. Parizeau defended himself. In a democratic society, that is normal.

Expressing an opinion is one thing. When dealing with forests or something else, as the Leader of the Opposition raised this issue in his question— When the Government of Quebec wanted to go ahead with the new James Bay project for hydro–electric power, the Canadian government's representative always defended Quebec's interests against American environmentalists. But if a Canadian citizen makes untrue statements about a politician—that has happened to me so often. If the Leader of the Opposition took the initiative to defend me every time nasty things were said about the Prime Minister of Canada in his presence, I would be pleasantly surprised.

• (1420)

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the exaggeration in political discussions when a politician is attacked is one thing, but these discussions must be level–headed and respect people's reputations. Vilifying a whole people is something else. I say to the Prime Minister that as Prime Minister of Canada, if he claims to defend Canada—if Quebec is vilified everywhere and charged with racism, Canada as a whole suffers.

Some hon. members: Hear, hear.

Mr. Bouchard: That was the preamble to my question, Mr. Speaker. Are we to understand that the federal government refuses to set the record straight in this serious matter, because in the pre–referendum environment it suits the government to have the image of Quebec and its pro–sovereignty government discredited in the United States?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have to repeat what I said.

There was a debate in Washington among Canadians invited by a group to debate the situation of Quebec and Canada. The native leader spoke strongly. He claimed today that he did not attribute his words to the premier of Quebec. The premier defended himself today. We have debates like that all the time. The situation was rectified that very moment by the people there. The embassy felt there was nothing to do at the moment because other Canadian citizens had defended the Canadian population and in particular the Quebec population.

* * *

[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in his report, the Auditor General mentions the lack of thoroughness and the weakness of the data used to justify the closure of military bases. He refers, among other examples, to the base in Portage–La Prairie, Manitoba, where the costs related to the closure were significantly underestimated by the Department of National Defence. In the end, this measure resulted in savings of $170 million, instead of the anticipated $411 million.

Is the Minister of Intergovernmental Affairs aware that the very same scenario is being repeated with the closure of the military college in Saint–Jean, because he significantly underestimates the costs of transferring the operations to Kingston, and does the minister realize that he will never reach the

objective of $23 million promised by the Department of National Defence?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the period of examination of national defence covered by the Auditor General was mainly for the time before this government was elected.

In discussing the base closures at Portage la Prairie and Summerside the Auditor General certainly had good reasons for the claims he made. We did not repeat those mistakes when we closed bases earlier this year. We were much more meticulous about the cost savings that would accrue. Of course we have stood by those figures as they particularly apply to the question raised by the hon. member for the Collège militaire royal de Saint–Jean.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since the Auditor General of Canada has demonstrated that the Department of National Defence mismanages all of its capital assets and has a poor record regarding the closure of military bases, does the minister recognize that his only argument to justify the closing of the military college in Saint–Jean, namely to make savings, is no longer valid, and does he agree that he should review his decision and take into account the constructive suggestions made by stakeholders?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, obviously the hon. member did not hear my previous answer. I stated this yesterday and we have stated it before. We believe absolutely that the financial reasons certainly justify the closure of the two military colleges.

• (1425)

When the hon. member opposite came to the defence committee sometime last spring he was given all the details and he never challenged the facts. In fact once he got them he left and ran away. He did not even challenge the facts.

With respect to the CMR there is no question that our financial figures are exact. With respect to the general question on base closures the department learned from some of the mistakes that were made by the previous government. That is why even though the painful decisions taken in February had to go on, they have gone on reasonably smoothly in the rest of the country.

* * *

GOVERNMENT APPOINTMENTS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in a few short months the contest between federalism and separatism will begin in earnest. Surely the Prime Minister would agree that now is the time for federalism to put its best foot forward, not its worst. Federalism does not put its best foot forward through partisan, patronage appointments to key federal institutions, such as Rideau Hall and the Canadian Senate.

Will the Prime Minister acknowledge that continuation of the Mulroney practice of high level patronage appointments to federal offices discredits the federal system? Will he promise to abandon this practice before it infects his entire government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not know if I should reply to an attack on the Governor General designate. The man served his country for about 23 years and is highly respected everywhere. He is the first Atlantic Canadian to be appointed as Governor General.

Ask anybody to look at the quality of the people I have appointed. For example this morning I named Jean–Robert Gauthier, who is not a member of Parliament any more, as a senator. He served for 22 years as a member of Parliament. He is the one who proposed a bill to have the Auditor General report four times a year. I was somewhat sorry he accepted the offer I made to him because I think he still would have been very good serving here, but after 22 years he accepted that appointment.

This man had a great contest in the House. It was good for you, Mr. Speaker, that it was by two votes he did not become the Speaker. A lot of people thought we had two great candidates and he lost by only two votes. He is a very respected Canadian who will make a great senator.

Some hon. members: Hear, hear.

The Speaker: I did not know that I had won by two votes.

My colleagues, may I very gently remind you, and this is not in the form of a lecture in any way, that some of our institutions should not be reflected upon negatively, nor I believe should we attack each other's character. I wonder if we might keep this in mind with both the questions and answers.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister defends partisan patronage appointments to the highest political offices. In so doing he is sending all the wrong signals to his ministers responsible for lower level appointments. He is saying it is okay for the immigration minister to make patronage appointments to the IRB. He is saying it is okay for the Solicitor General to make patronage appointments to the National Parole Board.

• (1430)

Will the Prime Minister change the signals he is sending to those ministers and rescind his latest patronage appointments so that Canadians can believe he is serious about restoring integrity to government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Constitution of Canada has vested the Prime Minister of Canada with the responsibility to fill the jobs in the Senate. Of course when I name someone, I make a decision. It is always a patronage appointment.

When my predecessor, Mr. Trudeau, selected the father of the leader of the Reform Party, it was a political patronage appointment when he became a senator. If the leader of the Reform Party does not want me to keep that privilege, he had a great occasion, when we voted in the referendum on the Charlottetown accord, to make the Senate elected. This gentleman voted against having an elected Senate.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister appears to believe that continued use of partisan patronage at the highest levels of government is somehow compatible with his pledge to integrity in government. He appears to believe that patronage and integrity can live in the same government and dine at the same table.

My question is for the Prime Minister. Who, if anyone, has he consulted on the ethics of this matter? Has he consulted the ethics counsellor? Did he call former Prime Minister Brian Mulroney on the phone? Who, if anyone, has advised him that patronage and integrity can coexist within a government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have a little problem. If someone is a Liberal or supports the Liberal Party he is disqualified. Then 63 per cent of the Canadian people are disqualified because they are Liberal.

It is not very good for my humility, but if I were to discard all the people who have expressed confidence in this Prime Minister, then 75 per cent of the Canadian people would be disqualified.

I ask everybody to look at the quality of the people I have appointed. That is the criteria. Each one is a great citizen of Canada, making a contribution in his or her own province. Jean–Robert Gauthier has been one of the greatest defenders of the French fact in Canada. The Governor General will prove to be a great choice that the Queen has accepted.

The Speaker: This has to be Wednesday.

* * *

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is directed to the Minister of National Defence.

The Auditor General is critical of the Department of National Defence because of its ad hoc approach to closing military bases, and I quote: "The budgetary process provides no opportunity to prepare the labour force or the communities for change, and to plan a strategy for government assistance". That was a reference to the 1994 Budget, not the budget of the previous government.

• (1435)

Will the Minister for National Defence admit that these closings are the result of ad hoc political decision–making that is having a harsh impact on local communities, since it does not include a strategy to help them diversify their economy?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I beg to differ.

First, the Liberal Party in its red book called for a cut in defence spending. We acted on that in the budget. It was done in the budget because we felt we had to discharge our promise right away for the tax year beginning April 1, 1994.

The Auditor General is a very eminent individual and has done a lot of work. We work with him closely at national defence. I believe he acknowledges the fact that we are trying to improve on the suggestions he makes.

Without being disrespectful, I would say that the choice of whether or not we enact certain military expenditures in the budget or otherwise is a political decision made by the Government of Canada and not by the Auditor General.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I may remind the minister that the red book also talked about defence conversion and diversification, neither of which has been done.

Instead of being criticized again next year by the Auditor General's office for his ad hoc decision to close the Collège militaire royal de Saint–Jean, would the minister not agree he should support the proposal by the mayor of Saint–Jean which provides for a transition period, in order to avoid repeating the mistakes of the past?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I met the mayor of Saint–Jean today at noon to discuss his proposal. We agreed on the two main proposals: first, that CMR should be converted to civilian use, and second, that a period of transition is necessary to make CMR a post–secondary institution.

Having agreed on the principles, we concluded that the same principles formed the basis for the July 19 agreement. We both urge the Government of Quebec to accept the July 19 agreement

signed by the Quebec government, in order to put an end to the present uncertainty in the region.

[*English*]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, yesterday's Auditor General's report pointed out serious flaws within Correctional Service Canada.

One hundred and sixty violent offenders have slipped through the cracks and ended up on the street; those behind bars are costing Canadian taxpayers up to $80,000 per year each. Canadians are not getting good value for their tax dollars in a system that has serious and occasionally fatal flaws.

I ask the parliamentary secretary when Canadians can expect a corrections system that works for them instead of for the criminals.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, as I answered yesterday, we welcome the recommendations of the Auditor General. We have already started to implement some of them.

Even though we admit that some persons have escaped from prison, we would like it if nobody escaped. However from April 1994 until today we have had only 76 escapees. Over the same period last year we had 147 escapees. I know that is 76 too many. We would like that figure to be zero. We are working toward that and I hope the member will co–operate with us.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I have a supplementary question. According to the Auditor General, the appointment process for the National Parole Board seems to put Canadians at even greater risk than corrections. Many full time appointees are ill prepared to do the job, much less the part time appointees.

Will the parliamentary secretary promise to put an end to political patronage on the National Parole Board and introduce a system based solely on professional skills and merit?

• (1440)

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, as we promised in the red book we have acted. The case is clear. Concerning the appointment of the chairman, the Solicitor General has gazetted the position. There was a special experienced panel that reviewed the candidate and the Solicitor General made the final review which resulted in a good appointment.

As a matter of fact, the Auditor General states in his report that it is a good system. We intend to continue with this new system which was implemented according to our red book promise.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The Auditor General finds it regrettable that the government is about to conduct a social program reform without first gathering all the information required to make informed choices. While the results of social programs cannot be prejudged, he said, available data is insufficient to use as a basis for a proper evaluation.

How can the Minister of Human Resources Development claim that Canadians can participate in a real debate on social program reform, while at the same time providing them with only partial, incomplete and insufficient information?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member would look carefully at what the Auditor General said was a requirement for additional information, things on impact of seasonal work, premium reduction, the impact of various forms of cross subsidization and look at the paper that we tabled on November 14, she would find that all the information requested by the Auditor General, is contained in that report.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, as the minister is prepared to conduct his social program reform on the basis of incomplete information, does he recognize that his sole objective, rather than to improve social programs, is in fact to make cuts in assistance programs for the disadvantaged?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we have dealt with this question many times in the past.

If one looks clearly at the objectives set forward in the green book, in the various supplementary papers that we put forward, we are challenging members of Parliament, as we are challenging Canadians, to find a better way of delivering social programs, particularly to improve employment opportunities.

The whole purpose of revising and modernizing the unemployment insurance program and the Canada assistance program is to give unemployed Canadians, those on social benefits, a much better set of tools to help them get back into the workplace. That is the primary basis of reform.

The best way of dealing with a fiscal crisis is to have more people back at work.

RACE RELATIONS FOUNDATION

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Prime Minister.

The Canadian Race Relations Foundation will cost taxpayers $24 million. Of this, $3 million will go to pay the salaries of the 30 governor in council appointments.

When in opposition, the Liberal member from Scarborough—Agincourt challenged these appointments. He criticized their partisan nature by suggesting that the government would appoint only those people who support it and that the government would probably place as president of the foundation somebody who has raised funds for the government.

Given that the Prime Minister has recently made more patronage appointments, how can he guarantee that he will not fill the 30–odd appointments for this board with more Liberal hacks and bagmen?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, in answer to my colleague, I sense a mean spirited approach behind her observations—

Some hon. members: Oh, oh.

The Speaker: I am sure the hon. minister does not want to attribute motives. I would ask her to withdraw the words "mean spirited".

Mrs. Finestone: Mr. Speaker, I guess I really thought she was mean spirited but if that is—

Some hon. members: Oh, oh.

The Speaker: Will the minister withdraw?

• (1445)

Mrs. Finestone: Mr. Speaker, I apologize. I thought the remarks were without understanding of the wonderful appointments that our leader has made in the past. I am so proud of what he has already done that I was moved to a wrong observation in that regard of the character of the person.

The Speaker: Is there a withdrawal in there? Will the secretary of state withdraw?

Mrs. Finestone: With the greatest of respect to you, Mr. Speaker, of course I withdraw.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I would really like an answer to my question today, but I will continue with my supplementary question.

The government appears bound and determined to spend more tax dollars on multiculturalism. During debate on the issue in 1990 the president of Canadian municipalities stated that social harmony cannot be created by posters, proclamations or literary contests or even by co–operation between business and government or by directed government action.

The real challenge is in the hearts and minds of each of us as individuals. When will the Prime Minister recognize the truth of that statement, terminate the Race Relations Foundation and save Canadian taxpayers $24 million?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, to the hon. member, while we have not proclaimed the Race Relations Foundation as yet, we are a party and a government that believes in its commitment to the people of Canada and is committed to its word.

The member will find in the red book a strong undertaking about the Race Relations Foundation. The Prime Minister announced it in his speech from the throne. It was included in the finance minister's speech in the budget. We are committed and we will proclaim en temps et lieu.

* * *

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, the Auditor General reminds us that recording revenue and expenditures of the UI account with those of the federal government distorts the government's budget results, since Ottawa has not contributed to the UI account since 1990. The account is financed entirely by workers and employers.

Does the Minister of Finance admit that, without the net surplus of $2.7 billion in the UI account, his deficit for the current year would not be $39.7 billion, as he claims, but about $42 billion?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the federal government is responsible for any deficit in the UI account. True, the money comes from the private sector. However, since we are responsible for the deficit, if there is one, these figures must really be included in our budget. It is very clear that we are responsible.

Also, I must tell you that the Auditor General himself insists on this accounting policy.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I would remind the Minister of Finance that the Auditor General is not the only one denouncing this procedure. A recent report by the Canadian Institute of Actuaries stated that since the UI program is totally self–financed, the current mechanism distorts the government's budget results.

My supplementary question is for the Minister of Finance. Instead of using this questionable procedure to hide the government's disastrous financial situation and make himself look good as a manager of public funds, why does the Minister of Finance not use the UI account surplus to reduce employers' and

employees' premiums, thus creating thousands of jobs? He should cut the rhetoric and take action.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I repeat, the accounting procedure used by the government is the one that is suggested and on which the Auditor General himself insists. We are simply following his directives.

Second, about the government's ability to reduce UI premiums, the Minister of Human Resources Development, the Minister of Industry and myself all agree that it must be done.

• (1450)

That said, what the business community wants, really, is stable premiums. As soon as we have a surplus, as soon as we are really confident that we can reduce premiums, we will certainly do so.

* * *

[*English*]

JUSTICE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, my question is for the Solicitor General.

A convicted pedophile who had served his full sentence came to Peterborough recently in a blaze of publicity. This was a shock for the entire community, for those concerned about children and for those who try to help former offenders.

The judicial and penal system has failed in this case. Can the parliamentary secretary inform us of the steps being taken to protect our children from dangerous offenders and improve the penal system?

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, as my hon. colleague knows, there is presently a federal–provincial–territorial task force on the study of high risk offenders. This report will be brought to our attention early in the new year.

I should add that last week the Solicitor General also announced the creation of the Canadian police information centre which will screen out various individuals who wish to work with youth organizations across Canada. We will be sure that no sexual abusers are allowed to work with children.

I would conclude by saying that the announcement made by the minister is a follow up to our red book commitment to help prevent sexual abusers taking part in various organizations, volunteer organizations such as Big Sisters, Big Brothers, Scouts and whatnot.

I reassure the hon. member that it is our commitment to make sure we protect children.

* * *

PUBLIC SERVICE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the Minister responsible for Public Service Renewal.

Documents obtained through access to information reveal that the government has promised civil servants that it would honour the workforce adjustment policy which says in essence that civil servants cannot be laid off. Yet the minister has promised to cut $5 billion in government programs.

Attrition alone will not save $5 billion, so how does the minister propose to honour the workforce adjustment policy and his commitment to reduce the size of the public service at the same time?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we are currently in discussions and negotiations with the bargaining agents for the public service employees with respect to the workforce adjustment directive.

Understanding the points that are made by the hon. member, matters are under discussion at the present time and will subsequently be reported as the negotiations are completed.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my supplementary question is for the President of the Treasury Board.

The Auditor General's report says that the purpose of the workforce adjustment directive, which is preserving jobs, stands directly contrary to the government's purpose of reducing the size of the public service. If the minister is not able to renegotiate the terms of the workforce directive with the unions, is he prepared to bring in legislation to change that directive?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we have made it quite clear in the government that we would negotiate with the bargaining agents. It is a matter that is subject to collective bargaining as it is part of the agreements with our unions and we will negotiate with them.

There is no doubt that there is going to be an impact from the program review in terms of the public service employment levels. Those are matters that we will negotiate with the unions and subsequently when they have been dealt with we will report them to Parliament.

[*Translation*]

CANADIAN NATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, yesterday, the Minister of Transport attempted to trivialize the generous interest–free loan of $300,000 granted to Mr. Paul Tellier by Canadian National toward the purchase of a home in Westmount. The minister tried to explain this loan by saying it was in line with so–called similar practices in the private sector.

At a time when the CN is cutting 10,000 positions as part of its rationalization plan and the government is asking all its employees to make sacrifices, what is the Minister of Transport waiting for, as sole shareholder, to step in and put a stop to this outrageous privilege enjoyed by Mr. Tellier, one of the people most highly paid by the Canadian taxpayers?

• (1455)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, yesterday, I indicated in my answer that the practice with regard to the president of CN was one for which there were precedents at CN with previous presidents. I also explained that this was a situation that was commonplace in the private sector, given that CN is a Crown corporation.

Certainly, we are all aware of the upcoming changes at CN and elsewhere in the Canadian railway system. The salary of the president of CN was set by order in council before this government came to power. There is no doubt that the situation identified by the hon. member is of great concern to us. I can assure this House that, if it were up to us to decide, no such things would ever happen again in the future.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, how can the minister explain that there was no mention of the interest–free loan granted to Mr. Tellier in the annual information circular tabled last April by CN, CN declaring at the time that no loans had been made to any of its administrators or officers?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, this is undoubtedly a very serious matter.

As I indicated, the salary paid to the president of CN is set by order in council. The question of other benefits is an arrangement between the president and the board of directors of CN. I believe, as is the case of every member of the House and any person who is working in the public sector, they have an absolute obligation to explain exactly what the arrangements are.

I fully expect the president of CN will avail himself of the opportunity to come before the press to explain to the hon. member who has raised the question or to anyone else exactly what arrangements he has concluded with his board of directors in a crown corporation that operates at arm's length from the government.

* * *

FIREARMS

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, immediately after firearms were stolen from a store in B.C. a man arrested with them was only charged with possession of stolen property. For this he received a six–month jail term. In Ontario an individual apprehended with a fully automatic sub–machine gun received a $1,000 fine.

Could the Minister of Justice explain to Canadians demanding sentences that would prove to be a real deterrent why the penalty for the theft of firearms or the possession of prohibited weapons is so lenient under the government?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will not comment on the sentences in those specific cases because I do not know the facts beyond what the hon. member has said.

The hon. member and I are on common ground in terms of the need for stern and certain punishment for the kinds of offences he has described.

The government will be introducing in the House during the coming weeks specific proposals in relation to firearms that will include very significant changes to the penalty provisions for the kinds of crime he has described.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, a young man in my riding had his .22 stored under the seat of his truck as the current storage regulations call for. When he lent his truck to a friend who was stopped for speeding the young owner was charged with lending a firearm to someone who did not have a valid FAC. This can be an indictable offence punishable by up to two years in jail.

While it seems harder to get a straight answer from this minister than it is blood from a stone, would he care to comment on the gross inequity whereby a criminal possessing stolen or prohibited firearms receives a slap on the wrist yet this young man is facing a criminal record because he lent his truck to a friend?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, rather than comment on specific cases that have been selected for the member's own purposes I would like to speak about the criminal law in general.

We are in the course of preparing for presentation to the House of Commons comprehensive proposals with respect to firearms that will disclose the government's priorities in relation to safety and criminal law.

The hon. member will find, when they are presented, that they are entirely consistent with the public interest which is safety in Canadian society.

* * *

• (1500)

CHILD POVERTY

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, there are nearly 1.3 million poor children in Canada.

When releasing his discussion paper the Minister of Human Resources Development said that reducing child poverty would be a central objective of social security reform.

What measures is the minister considering to ensure that Canadian children, our national resource, no longer go hungry?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, certainly the eradication or elimination of child poverty is a major objective in the proposed social security reform.

As the hon. member knows, one of the most important ways of doing that is to change the conditions under which people can get back to work and to provide much better child care and employment assistance services, particularly for single mothers faced with the most serious child poverty situations.

In the last several months under the strategic initiatives program of the government over 20,000 Canadians have been given direct assistance in an innovative, flexible, creative way to enable them to get back into the work market, the job market, so we can ensure that their children have a proper income and proper upbringing.

* * *

PRESENCE IN GALLERY

The Speaker: I draw to the attention of hon. members the presence in the gallery of the hon. Ishmael Alphonsa Roett, MP and my brother Speaker of the House of Assembly of Barbados.

Some hon. members: Hear, hear.

* * *

[*Translation*]

POINT OF ORDER

WAYS AND MEANS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I think you will find that there is unanimous consent to now proceed with Ways and Means Motion No. 16 instead of Routine Proceedings and, if necessary, to immediately vote on it, without ringing the bells.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

* * *

[*English*]

WAYS AND MEANS

INCOME TAX ACT

Hon. David Anderson (Minister of National Revenue, Lib.) moved that a ways and means motion to amend the Income Tax Act and income tax application rules, laid upon the table on Tuesday, November 22, 1994, be concurred in.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 116*)

YEAS

Members

Adams
Anderson
Assad
Axworthy (Winnipeg South Centre)
Barnes
Bhaduria
Boudria
Brushett
Caccia
Campbell
Catterall
Chan
Collenette
Copps
Crawford
DeVillers
Discepola
Dupuy
Eggleton
Fewchuk
Flis
Fry
Gagliano
Gallaway
Godfrey
Guarnieri
Hickey
Hubbard
Irwin
Jordan
Kirkby
Allmand
Arseneault
Assadourian
Bakopanos
Bethel
Blondin–Andrew
Brown (Oakville—Milton)
Bélair
Calder
Cannis
Chamberlain
Chrétien (Saint–Maurice)
Collins
Cowling
Culbert
Dhaliwal
Duhamel
Easter
English
Finestone
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Graham
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson

Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Loney
MacLaren (Etobicoke North)
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
O'Brien
Ouellet
Parrish
Peric
Peterson
Pillitteri
Reed
Richardson
Robichaud
Rompkey
Shepherd
Simmons
Speller
Stewart (Brant)
Telegdi
Thalheimer
Ur
Vanclief
Walker
Young

Lastewka
Lee
MacAulay
Malhi
Manley
Marleau
Massé
McKinnon
McWhinney
Milliken
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Payne
Peters
Phinney
Proud
Regan
Ringuette-Maltais
Rock
Serré
Sheridan
Skoke
St. Denis
Szabo
Terrana
Torsney
Valeri
Verran
Wells
Zed—128

NAYS

Members

Abbott
Bachand
Benoit
Bernier (Gaspé)
Blaikie
Brien
Bélisle
Caron
Chrétien (Frontenac)
Dalphond-Guiral
Debien
de Savoye
Duceppe
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Harris
Hermanson
Hill (Prince George—Peace River)
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Marchand
McClelland (Edmonton Southwest)
Meredith
Morrison
Nunez
Penson
Ramsay
Sauvageau
Scott (Skeena)
Solberg
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)

Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Brown (Calgary Southeast)
Canuel
Chatters
Cummins
Daviault
de Jong
Deshaies
Dumas
Fillion
Frazer
Gauthier (Roberval)
Godin
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hill (Macleod)
Hoeppner
Jennings
Laurin
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Martin (Esquimalt—Juan de Fuca)
Mercier
Mills (Red Deer)
Ménard
Paré
Pomerleau
Rocheleau
Schmidt
Silye
Solomon
Stinson
Taylor
Tremblay (Rosemont)

Venne
White (North Vancouver)—87

White (Fraser Valley West)

PAIRED—MEMBERS

Members

Bellemare
Crête
Dubé
Gray (Windsor West)
Lalonde
Lincoln
Plamondon

Berger
Daviault
Goodale
Karygiannis
Lebel
Patry
St-Laurent

• (1510)

[*Translation*]

The Deputy Speaker: I declare the motion carried.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (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 48 petitions.

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the reports of the Canada–Europe Parliamentary Association regarding the annual OECD debate at the Parliamentary Assembly of the Council of Europe, which took place in Strasbourg from October 4 to October 6, 1994.

* * *

• (1515)

[*English*]

COMMITTEES OF THE HOUSE

AGRICULTURE AND AGRI-FOOD

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I have the honour to present the fourth report of the Standing Committee on Agriculture and Agri-Food which deals with Bill C-51, an act to amend the Canada Grain Act. It is reported with no amendments.

[*Translation*]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 50th report of the Standing

Committee on Procedure and House Affairs regarding the list of associate members of committees.

With leave of the House, I intend to move for concurrence in the report later this day.

* * *

EQUAL TREATMENT FOR PERSONS COHABITING IN A RELATIONSHIP SIMILAR TO A CONJUGAL RELATIONSHIP ACT

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ) moved for leave to introduce Bill C–290, an act providing for equal treatment for persons cohabiting in a relationship similar to a conjugal relationship.

He said: Mr. Speaker, I want to thank the hon. member for Rimouski—Témiscouata. You will understand that I am proud to introduce today a bill which, if it is passed, will end a more than secular type of discrimination by amending 40 acts, so as to formally recognize legal equality for same sex spouses. I do hope that the House will support this legislation.

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

* * *

[*English*]

COMMITTEES OF THE HOUSE

TRANSPORT

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion:

That six members, three staff and three interpreters from the Standing Committee on Transport be allowed to hold informal hearings in relation to the committee's airport study in Vancouver, Kelowna, Calgary and Winnipeg from November 27 to December 2, 1994.

(Motion agreed to.)

[*Translation*]

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have another motion:

That the date December 2, 1994 in the motion approved by the House on September 28, 1994 authorizing the Standing Committee on Environment and Sustainable Development to travel to Winnipeg, Edmonton and Vancouver be replaced with December 4, 1994.

(Motion agreed to.)

[*English*]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, we are on a roll today. I move that the 50th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

PETITIONS

MINING INDUSTRY

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, it is a pleasure for me to present to the House a petition signed by 1,152 Canadians from across Ontario.

The petition addresses the serious decline we have experienced in our ore reserve in the mining industry. The group Keep Mining in Canada has developed a 10–point plan to address this concern.

The petitioners call upon Parliament to take action that will create employment in this sector, promote exploration, rebuild Canada's mineral reserves, sustain mining communities and most of all keep mining in Canada.

• (1520)

I congratulate this group for its initiative and I totally support its objectives.

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Mr. Speaker, I rise today pursuant to Standing Order 36 to draw to the attention of this House that mining is an important industry to Canada. Over 150 communities in every province and territory contribute to Canada's export to the tune of over $20 billion a year. Canada is an important mining country and hundreds of thousands of Canadians depend on a healthy investment climate to continue with this important industry.

The petitioners call upon Parliament to take action to improve the climate, increase reserves, preserve our communities and keep mining in Canada. I support the petition and the 358 Canadians who have signed it.

HUMAN RIGHTS

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, pursuant to Standing Order 36, I would like to table a petition on behalf of the residents of Bruce—Grey.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the

prohibited grounds of discrimination the undefined phrase of sexual orientation.

RIGHTS OF THE UNBORN

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I have three petitions today.

The first petition is signed by approximately 800 residents of Prince Albert, Saskatchewan. It prays that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

YOUNG OFFENDERS

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, the second petition I have is signed by various residents of the municipality of metropolitan Toronto.

The petitioners believe there has been a rise in violent young offender crime. They pray and request that Parliament recognize and address the concerns of the petitioners and that Parliament amend the Criminal Code of Canada and the Young Offenders Act to provide for heavier penalties for those convicted of violent crime.

HUMAN RIGHTS

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, the third petition is signed by residents of communities in Ontario such as Perth, Smiths Falls, Lanark, Fallbrook, Almonte and other communities in the area.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

FIREARMS

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, pursuant to Standing Order 36, I have a petition today signed by residents of Okanagan Falls in my riding. People from Calgary, Grande Prairie and Slave Lake, Alberta, as well as several other communities in western Canada, have also signed the petition.

The petitioners are opposed to further legislation for firearms acquisition and possession. They are asking Parliament to provide strict guidelines and mandatory sentencing for use or possession of a firearm in the commission of a violent crime.

I would like to mention that thousands of people are adding their names to this petition which is being circulated in western Canada. To date I have delivered 829 names to the House. I concur with the petitioners.

ASSISTED SUICIDE

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I am very pleased to present and table with the House petitions asking that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of euthanasia or doctor assisted suicide.

HUMAN RIGHTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the petitioners ask that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

• (1525)

ASSISTED SUICIDE

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a petition from the people in my riding of Prince George—Bulkley Valley.

The petition deals with section 241 of the Criminal Code. The petitioners pray that Parliament not repeal or amend section 241 of the Criminal Code in any way and upholds the Supreme Court of Canada's decision of September 30, 1993 to disallow assisted suicide and euthanasia.

I would like to add that I personally support the petition.

HUMAN RIGHTS

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): In the second petition, Mr. Speaker, the petitioners pray and request that Parliament not amend the human rights code or the Canadian Human Rights Act to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibitive grounds of discrimination the undefined phrase of sexual orientation.

The petition is signed by constituents of Prince George—Bulkley Valley. Once again, I personally support the petition.

RIGHTS OF THE UNBORN

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, I have three petitions to present on behalf of my constituents of Egmont. These petitions are very similar to others presented today.

In the first petition, the petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, in the second petition, the petitioners humbly pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Joe McGuire (Egmont, Lib.): In the last petition, Mr. Speaker, the petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibitive grounds of discrimination the undefined phrase of sexual orientation.

EUTHANASIA

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I rise today to present quite a few petitions under Standing Order 36 dealing with the whole question of euthanasia.

Constituents from all parts of Haldimand—Norfolk pray that Parliament make no changes in the law which would sanction or allow aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I also have the pleasure to present to the House a petition from constituents from Haldimand—Norfolk regarding the whole question of same sex relationships.

RIGHTS OF THE UNBORN

Mr. Bob Speller (Haldimand—Norfolk, Lib.): In the last petition, Mr. Speaker, the constituents of Haldimand—Norfolk ask the government to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

KILLER TRADING CARDS

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I have a petition organized and collected by a large number of young Canadians in the riding of Scarborough—Rouge River.

It calls upon Parliament to act in such a way as to prohibit the importation, distribution, sale and manufacture of the cards known as killer cards or killer trading cards.

GUN CONTROL

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I have two petitions to present. The first one is that the justice minister is proposing unfair anti–gun legislation. It will do little if anything to reduce the incidence of violent crime in Canada, but will simply restrict or eliminate entirely the rights of honest law–abiding hunters and target shooters.

I would like the petitioners to know that I agree with their point of view.

MINING INDUSTRY

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I also have the pleasure to present a total of 178 pages of petitions with respect to the issue of mining. Canada's investment climate is forcing its mineral industry to look for new opportunities elsewhere, a trend which has eroded industry employment substantially in this decade and threatens the long term viability of mining in Canada.

I concur completely with the sentiments expressed in the petition. In subsequent events in the House I will be making a presentation as we debate Bill C–48 on natural resources speaking in support of the mining industry.

• (1530)

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36 I wish to present some petitions on behalf of grandchildren and grandparents in Canada asking Parliament to amend the Divorce Act to grant standing before the courts to argue for continuous access for grandparents to their grandchildren.

EUTHANASIA

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have three petitions to present today, two on behalf of the constituents in my riding of Simcoe Centre and one on behalf of the constituents in Sarnia—Lambton.

The first one is from Simcoe Centre dealing with the issue of euthanasia. The petitioners request that current laws regarding active euthanasia be enforced.

SEXUAL ORIENTATION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition from Simcoe Centre deals with sexual orientation.

The petitioners are concerned about including the undefined phrase sexual orientation in the Canadian Human Rights Act. Refusing to define this statement leaves interpretation open to the courts, a very dangerous precedent to set.

OFFICIAL BILINGUALISM

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition is dealing with official bilingualism and I present it on behalf of the citizens of Sarnia—Lambton.

Given that the large majority of Canadians are opposed to the official languages policy imposed on them by a former Liberal government, the petitioners request that a referendum be held to either accept or reject this flawed policy.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask that all questions be allowed to stand.

The Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

* * *

[*English*]

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask that the one notice of motion for the production of papers be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF NATURAL RESOURCES ACT

Hon. Anne McLellan (Minister of Natural Resources, Lib.) moved that Bill C–48, an act to establish the Department of Natural Resources and to amend related acts, be read the third time and passed.

She said: Mr. Speaker, it is a great pleasure for me this afternoon to speak on the occasion of the third reading of Bill C–48, a bill to establish the Department of Natural Resources.

This afternoon I wish to focus my brief comments on the important role of research and development as these concepts relate to the resource sectors and my department.

In the red book of the Liberal Party of Canada we stated our commitment to encourage progress toward the concept of sustainable development by integrating economic and environmental values and objectives.

One of our key challenges as a government in meeting this commitment is to create resource production and processing technologies that are less harmful to the environment and government and industry must meet this challenge by working in collaboration and partnership.

Government research facilities will continue to make an important contribution to R and D but the involvement of industry, universities, colleges and levels of government other than federal is essential.

The role of the federal government in the natural resources sectors is that of partner and that of a natural bridge between industry, other levels of government and the academy.

Natural Resources Canada has a lead role to play in the way our natural resources are managed. NRCAN, along with other science and technology departments, is responsible for ensuring that the Canadian taxpayers' investment of approximately $7 billion in science and technology is focused on areas that have the highest priority in terms of meeting our important economic, social and environmental goals.

By facilitating co–operation between all stakeholders government can ensure that the science and technology at work in these sectors contributes to the wealth of our economy and the health of our natural resources.

NRCAN has four main scientific branches: the Canadian Forest Service, the Geological Survey of Canada, the Canada Centre for Mineral and Energy Technology, otherwise known as CANMET, and Geomatics Canada. All these branches make important contributions to research and development in partnership with others.

• (1535)

Let me now give some specific examples of how my department fulfils this important role. In mining let us look to the problem of acid mine drainage, an environmental liability for the Canadian mining industry, with a potential price tag of between $3 billion to $5 billion.

To address this challenge the mine environmental neutral drainage program, otherwise known as MEND, unites the efforts of four federal government departments, eight provincial governments, seventeen mining companies and a number of academic institutions. It has developed new leading edge technology that can be transferred and marketed around the world. The program has also saved to date hundreds of millions of dollars for Canadian mining companies.

Let me move to the area of geomatics. When it comes to a discussion of innovative technology I believe that some of the most remarkable and innovative technological developments have occurred in the field of geomatics. Integrating economic and environmental objectives for resource development begins with accurate information. Working in partnership our geomatics industry and the Government of Canada have been instrumental in developing, applying and transferring both innovative

technology and expertise to Canada's resource industries and to countries around the world.

For example, we can receive images at the Prince Albert satellite receiving station, a world class Canadian built facility, which is located in Saskatchewan. Then we can digitize this information and use it in computer based tools to explore for new resources, to develop new mines or to monitor changes in our environment. Those are only a few of the uses of geomatics technology.

Let me move to the forestry sector, one of the single most important areas of Canada's industrial strength. In the forestry sector advanced technologies based on remote sensing and computer science are giving us new techniques for managing the forest resource and its ecosystems.

Canada has developed highly successful forest health monitoring systems including the forest insect and disease survey, a partnership between the federal and provincial governments and the acid rain national early warning system. Canada also leads the world in the development of forest fire danger rating systems and related decision support systems. These are just a few examples of the valuable partnerships that exist between government, industries and universities.

However the challenge is clear. We can no longer tackle problems in traditional ways and government must continue to find innovative solutions through our partnerships and through science and technology which is the key to progress toward sustainable development. My department, NRCAN, is in the process of drawing the road map for natural resources development in the 21st century. It is a map for success because of the consensus that we have achieved by bringing together key stakeholders in the resource sectors.

NRCAN is a major federal force behind science and technology and is the leading federal agency responsible for natural resource issues. These roles provide NRCAN with the capacity to help address the challenges industry faces and to contribute to the fulfilment of the government's policy priorities.

Increasingly the department's policy and science and technology efforts focus on two interrelated objectives, helping the resource industry to maintain its international competitiveness and doing so in a way that is environmentally sustainable. Together these two objectives capture the essence of the concept of sustainable development, the integration of economic and environmental objectives and values.

In conclusion, it was a pleasure to address the House this afternoon on the occasion of the third reading of Bill C–48, a bill that will when enacted provide the legal framework for the new Department of Natural Resources.

• (1540)

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, I will have to repeat a number of points I raised previously, since I find myself in the position of a teacher faced with a student who is the opposite of a quick study. This certainly does not apply to the minister but it does to her government.

They should start making a serious attempt at understanding what is at stake, because this is a very complex issue. Yesterday, we presented a number of amendments that I feel were entirely appropriate and justified, but they did not pass. They were defeated.

I will go back to what we proposed yesterday to explain why normally, these amendments should have been accepted by everyone.

We should recall that Bill C–48 was introduced as part of the present government's plan to restructure the federal public service. The purpose of the bill before the House today is to legislate the creation of the Department of Natural Resources. Once the bill is passed, one minister will have the powers and duties that today are vested in the ministers referred to in the Department of Forestry Act and the Department of Energy, Mines and Resources Act. As far as this bill is concerned, obviously we cannot object to bringing Forestry and Energy, Mines and Resources together in a single department. Of course not.

As such, this is a laudable objective. Regrouping certain duties to provide a better service may be justified, provided they are ours to regroup. That would not seem to be the case when we are talking about natural resources. I will get back to this later on, because I feel the present government failed to take advantage of this opportunity to reach an understanding with Quebec and the other Canadian provinces.

I also feel that if this government had done what it should have done, today we would be able to say that it fully intends to respect its partners. That is not the case, and unfortunately, I see no sign of it in this bill. In fact, I see more duplication.

According to the bill before the House today, the term natural resources is applied to all resources mentioned in the Department of Forestry Act and the Department of Energy, Mines and Resources Act. This means that anything connected with natural resources is affected by this bill.

Furthermore, and this is very important, the bill refers to integrated management and sustainable development, which we

fully endorse. Those are principles we in the Bloc are prepared to support, because, as I said before, this is very important for the future of our children and grandchildren.

These principles are already being applied in my riding, in Matapédia—Matane, and more specifically in connection with forest management. We did not invent these principles but we support them wholeheartedly. In the last 20 years, we have really invested in our forests, and there are some wonderful things to see and some wonderful things are happening as a result of our efforts.

• (1545)

In my opinion, it is no longer possible to speak about development of natural resources without speaking about sustainable development. The bill before us therefore has the advantage, and we support this, of applying the principle of integrated management and sustainable development to all natural resources.

This being said, I and my colleagues in the Bloc Quebecois understand perfectly well that the objective of the present bill is to formalize what is actually taking place.

I hope that our colleagues in the Liberal Party do not expect us to support this bill to establish the Department of Natural Resources. It is a bill to which we have no trouble speaking. Quebecers elected us, a sovereignist party, to defend the interests of Quebec and, at the same time, to initiate dialogue with the rest of Canada, with a view to laying the groundwork for our eventual sovereignty.

I note, however, that the present Liberal government seems to has absolutely no intention of respecting the jurisdiction of Quebec or even that of the other provinces, although this jurisdiction was conferred under the Constitution that governs us. I would remind the government that natural resources are a provincial responsibility, under the Constitution of 1867, and that this right was reaffirmed by the 1982 Liberal coup.

So much for this government's respect for its partners. By establishing this department, the government repudiates the basic principles which should govern efficient management of this country. It also creates a new bone of contention between the provinces, the territories and itself.

I will never lay enough stress on this issue. I have said it before and I repeat: Natural resources are a provincial area of jurisdiction in which the federal government has no business. We have to defend Quebec's exclusive jurisdiction over natural resources and will always do so.

We, in the Bloc Quebecois, would renege on our promises and most of all neglect the mandate our constituents have given us, if we were to keep quiet about the federal government's involvement in an exclusively provincial area of jurisdiction. We cannot stand idly by in the face of such an attack and a bill which, as it stands now, is an affront to the politicians in Quebec and the other Canadian provinces.

I do not understand how they can boast that they are acting in the best interests of the country, when they do not even abide by their own Constitution. If the government really wanted to respect the terms of the Constitution of Canada, it would abolish the Department of Natural Resources and let the provinces manage this area which comes under their own jurisdiction.

Since the very beginning, every successive Quebec government has defended the provincial areas of jurisdiction defined in the Canadian Constitution, starting with Mr. Lesage, "Masters in our own house", and then Mr. Johnson, "Sovereignty or Independence", but even before their time, Quebec had always requested provincial autonomy.

Even the more federalist of the Quebec premiers have insisted that the Constitution be fully applied, especially in the area of natural resources.

• (1550)

As is, this bill allows the government to enter into agreements with organizations as well as individuals and companies. It allows the government to award contracts in the natural resources and forestry sectors, even to individuals. Yet, the achievement of 1982, the 1982 Constitution Act, defines very clearly the provincial areas of jurisdiction enshrined in section 92(a) concerning the development, conservation and management of forest resources, including laws in relation to the rate of primary production therefrom.

Every successive Quebec government has asked that Quebec jurisdiction over natural resources be respected and now this bill negates these repeated requests.

Just one year ago, a known federalist, Quebec minister Sirros, stated in the National Assembly Quebec's exclusive jurisdiction over the management of natural resources over the Quebec territory. It seems that this government did not pay heed to his call, since we have here an Act to establish the Department of Natural Resources, which, if this bill is passed, will have full jurisdiction in this area.

With this bill, the Canadian government assumes powers and rights that directly infringe upon the exclusive jurisdiction of the provinces in terms of natural resources and this, to us, is unacceptable.

Clause 27.3(1)(*c*) of Bill C–48 is a very good example. It reads:

> (*c*) may enter into agreements with the government of any province or with any person—

This is where the problem lies:

> —for forest protection and management or forest utilization, for the conduct of research related thereto or for forestry publicity or education;

If there is an area in which we, Quebecers, have excelled, it is forestry. If there is an area which is truly ours since 1867, it is also forestry. And yet, Bill C–48 allows the Canadian government to put Quebec's jurisdiction aside and to enter into agreements with individuals, organizations and companies.

If at least the government had included an obligation to consult the governments of Quebec or the other provinces concerned, Bill C–48 would not have been acceptable, but it could have been less offensive, less detrimental to federal–provincial relations.

Clause 35 is a good example of this desire to interfere in an area under provincial jurisdiction. In order to understand the significance of this clause, I think it is worth reading it again. It reads as follows:

> 5. The Minister may cause distribution to be made of duplicate specimens to scientific, literary and educational institutions in Canada and other countries, and may authorize the distribution or sale of publications, maps and other documents issued by the Department.

There is nothing too serious up to that point. I will continue:

> 6. Subject to section 4 of the Department of Energy, Mines and Resources Act respecting the powers, duties and functions of the Minister in relation to matters mentioned in that section over which Parliament has jurisdiction, the Minister shall be responsible for coordinating, promoting and recommending national policies and programs with respect to energy, mines and minerals, water and other resources—

• (1555)

All this in an area under provincial jurisdiction. Clause 35 of the bill goes on as follows:

> —and, in carrying out his responsibilities under this section, the Minister may
>
> (a) conduct applied and basic research programs and investigations and economic studies in relation to those resources, and for that purpose maintain and operate research institutes, laboratories, observatories and other facilities for exploration and research related to the source, origin, properties, development or use of those resources;

Again, all this in an area under provincial jurisdiction. Let us move on. The Minister can:

> (b) study, keep under review and consider recommendations with respect to matters relating to the exploration for, or the production, recovery, manufacture, processing, transmission, transportation, distribution, sale, purchase, exchange or disposition of any of those resources, and with respect to matters relating to the sources of those resources within or outside Canada.

We are still in an area of provincial jurisdiction as recognized by the Canadian Constitution. But the highlight of the bill is undoubtedly the following paragraph.

> 7.(1) The Minister may, in exercising the powers and carrying out the duties and functions mentioned in section 6, formulate plans for the conservation, development and use of the resources specified in that section and for related research and the Minister may carry out those plans in cooperation with other departments, branches and agencies of the Government of Canada.

The federal government assumes all powers in an area which comes entirely under provincial jurisdiction. Allow me to draw to your attention the fact that provincial governments have not been mentioned once since the beginning of clause 35. Clause 35 concludes in these terms:

> In formulating and carrying out any plans under subsection (1), the Minister may:
>
> (a) cooperate with the provinces and with municipalities;
>
> (b) enter into agreements with any person or body, including the government of any province or any department, branch or agency of such a government, respecting the carrying out of those plans; and
>
> (c) make grants and contributions and, with the approval of the Governor in Council, provide other forms of financial assistance.
>
> (3) The Minister may, in exercising the powers and carrying out the duties and functions mentioned in this section, including in relations to technical surveys, consult with, and inaugurate conferences of representatives of producers, industry, the universities, labour and provincial and municipal authorities.

That means the Minister can even go directly to municipalities without consulting the provincial authorities. In my opinion, clause 35 represents one of the worst attacks this government has ever made against powers handed down to provinces since it came to office. Voting against this bill is of the utmost importance.

Since when can the federal government enter into agreements with municipalities without the province's consent? Since when does the federal government have the right to invade a field of provincial jurisdiction without the province's agreement or without even having to consult it? Such an attitude leads me to believe that no understanding, no harmony is possible in a country where the central government acts without the agreement of its main partners. One would think that this government cannot read its own Constitution, that of Canada. One would think that it is deaf when it comes to Quebec's and the provinces' claims.

• (1600)

What we see with Bill C–48 is a government insisting on trespassing on an area of exclusive provincial jurisdiction without the legitimacy that the explicit agreement of Quebec would confer on its action. A government which is getting involved in the writing of Canada–wide standards regarding natural resources. A government which has not learned from past mistakes and still believes that coast–to–coast policies are the key to collective wealth. This is completely false.

It is also a government which is harbouring the very same illusions it denounced in the past. This government is giving itself the means to act directly, without anybody's agreement, particularly that of the main stakeholders, the provinces, by

financing agencies or individuals directly. It is also a government which is bypassing the provinces, dealing directly with municipal governments, even though, under the 1867 Constitution, they come under the authority of provincial governments.

Finally, Bill C–48 confirms that this government could not care less about the claims of Quebec and the provinces and that it intends, as much as possible, to disregard the Constitution which governs us, in order to act as it pleases and achieve its ends, no matter what the cost to taxpayers in Quebec and this country.

I will bet that many of my colleagues from the other provinces agree with me. I will bet that many of my colleagues opposite think the same way but will never dare come out into the open about it, for fear of being repudiated by their own government. Let me tell them any way that such unsolicited federal interventions in a provincial area of jurisdiction cause awful overlapping all over the place.

We are going through difficult economic times. The provinces already have long–established natural resources strategies. What is the federal government doing if not duplicating whatever is already there? I am sure that Canadian taxpayers, to whom this government is so committed, would not approve of this. If they were asked tomorrow if they agreed with paying double for the sake of satisfying this government's centralizing designs, I know what they would say. Their answer would be a clear one. I am sure that they would never agree that the current Liberal government act this way. As far as we, in Quebec, are concerned, it goes without saying that we will not accept this disgraceful luxury of paying double all the time.

Let me give you an example with respect to forest management, over which this government is unduly assuming power by establishing the Department of Natural Resources. The provincial strategy tabled by the government of Quebec in May 1994 illustrates my point. This strategy is well and truly independent from the National Forest Strategy developed by the federal government and the Canadian Council of Forest Ministers. The people of Quebec have to pay for both strategies. The people from my riding have to pay for both. We are sick and tired of that.

This government completely disregards the Constitution that governs it. It has also completely disregarded the very legitimate demands of all Quebecers for at least 30 years. The time has come for Quebecers to make a decision that will allow them to finally exercise the powers they are entitled to.

• (1605)

In November 1990, the House Standing Committee on Forestry and Fisheries, although made up of hard–core federalists, said that in the 20th century, the government tried several times to influence national forestry policies, but that it encountered provincial resistance to any potential interference in areas of exclusive provincial jurisdiction. Committee members felt that the federal government clearly had to play a much more serious role in guaranteeing the success of any national forestry policy.

We must come to the conclusion that the current government has not learned anything from the past. We also note that, although many observers recommended that the federal government take the Constitution into account in dealing with natural resources, this government continues to display the same interfering and contemptuous attitude toward a level of government which nonetheless has jurisdiction over natural resources. Quebec has always demanded the same powers over natural resources and forestry. Quebec was opposed to creating the Department of Forestry, which it rightly saw as federal interference in an area of provincial jurisdiction.

Quebec also did not ratify the National Forest Strategy. Since 1991, after the resounding failure of the Meech Lake Accord, no Quebec minister has participated in the activities of the Canadian Council of Forest Ministers. In fact, Quebec just recently released its own strategy on forest management. It is certainly its prerogative, considering that this sector falls under provincial jurisdiction.

We will never support Bill C–48. We will never tolerate this undue and unacceptable interference in a field of provincial jurisdiction. I am not just referring to Quebec but also to the other provinces. We will never tolerate this unjustifiable desire to deprive another level of government of its vested powers. As Bloc Quebecois members, we will never support this kind of action.

Nor will taxpayers, and particularly those in my riding of Matapédia—Matane, ever let those who govern waste public money by duplicating services. As the elected representatives of Quebecers, we will never let the government ruin the efforts of generations of Quebecers to develop their natural resources the way they wanted to do it.

I hope that members will seriously consider the implications of this bill and will send the government back to the drawing board. If necessary, I will be pleased to make my plea again and again, because the government does not have the right to resort to useless duplication in order to gain some specific power. Since it took office, this government has been centralizing over and over. This legislation is yet another attempt to gnaw away at the powers of Quebec and the other provinces. The government is increasingly bent on gaining power, instead of trying to manage taxpayers' money. The Bloc Quebecois will oppose any such attempt to gain power.

• (1610)

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it gives me a great deal of pleasure to speak on Bill C–48, an act to establish the Department of Natural Resources and related acts.

We do not have any significant problems with the bill at present, so I will use this time to expand on some ideas on natural resource management that our party would like to put forward to help improve this very important aspect of our country.

Canada has a number of resources, both human and natural. Being so large and so rich in so many of these resources, it is critically important that we manage them properly. Our natural resources, including fish, lumber, mining and water, are extensive. Few countries in the world can claim to be as rich as we are in natural resources. In fact the standard of living of all Canadians is intimately associated with these resources.

Natural resources are under siege, as they are in every other country in the world. What we do now is critically important in how these resources survive in the future. I would first like to deal with the latter, our natural resources, and go through some of the specific principles that we need to apply to them to ensure they will survive in the future for coming generations. I would also like to deal with some specific problems, in particular some of the problems affecting where I live in British Columbia.

First and foremost, the most important principle in natural resources is sustainable development. Much damage has already been done by the generations that preceded us and the current generation in dealing with our natural resources.

Everybody hears much about the ozone depletion, about the decrease in biodiversity that has occurred all over the world, from the flora and the fauna, the well known animals and plants now being affected such as the tigers and black rhino to the lesser known plants that are being decimated and wiped off the face of the planet every day.

As an aside, this lack of biodiversity is a huge loss to us as a species. For within that wealth of biodiversity exists a potential for those species that have become extinct that will never be explored, a potential we can use in industry, in medicine to save lives, to help our species and other species on the planet.

Desertification has occurred as a result of the mismanagement of our natural resources. A wide swath is gone all over our world that has rendered arable land into deserts. Land that was once productive now is not and never will be again, at least not in our lifetimes. It will never be able to produce the food stuffs, the agriculture, the homes that the people of the world need and that our burgeoning population will require.

As a country we have been very guilty of deforestation in the past. We have criticized Brazil for its deforestation practices, but we have been as guilty as them. Much has been done over the last few years to undo this, in part because of the loud outcry and the interest of the Canadian people, but also because of special interest and environmental groups that have comes on side to help be watchdogs for what has gone on in our natural resources.

Pollution plays a very important part because various aspects of pollution are decimating areas that we will forever have to live with on land, in lakes, water bodies and in the Arctic. All we need do is talk to the aboriginal people that live in the north to know what horrible things have happened to the pristine areas that once existed in our north.

• (1615)

This is not something that is only specific to our country, but to all of the countries that share the Arctic borders. Pollution is rampant. Foodstuffs are going down and they too are being polluted. It is happening all over. Toxic wastes are being dumped. All these things are occurring now and need to be addressed now for, as I said before, what we do at this moment will forever impart on future generations. Things are not getting better.

Look at the acidification that has been occurring in the Great Lakes. Where I used to live in Ontario, thousands and thousands of beautiful lakes that used to have such an enormous resource of fish are dying. There is a wasteland of lakes in Ontario and in Quebec that has been rendered useless because of the acidification and the dumping of acid rain into these lakes, a profound tragedy, lakes that now it is too late to do anything about.

Perhaps if we address this problem now, in the future we can get a handle on it and prevent this from happening and do things to bring them back to the state that they were once in.

We should also like to address another aspect that is not often discussed in natural resources, that is the burgeoning world population, a population that now stands at 5.7 billion and in a mere 37 years will double to over 10 billion people. It is interesting to note that it has taken the entire history of man to get to our current stage of 5.7 billion but it will only take 37 years to double that.

I ask everybody to consider what will happen to the future of our population and our world when that population doubles. When that happens we will have an increase in the demand on our resources, an increase in the demand on our natural resources, on our environment and on our security. A broadened definition of security, we are now finding, will include our military security, our environmental security and our social security.

These increasing demands on our limited resources will result in conflicts among people, which will result in migration of people from areas that have not to areas that have, which will impact on every country in the world. Do not think because we might live a half a world away that it will not because it certainly will. There are recent historical precedents to support that.

I would like to put forth some constructive solutions that we can all work together to fulfil. First, I support and urge the government to engage in fulfilling transboundary agreements throughout countries over areas such as pollution, in particular with the United States, and with the transboundary agreements that we will need to fulfil with countries bounding the Arctic.

We need common rules on trade and the environment that will enable us to fulfil a rules based free trade agreement that will provide us, a relatively small country, with the powers to fulfil and protect our own environmental areas.

I would also like to see a larger emphasis from our dwindling foreign aid dollar to be put on providing for education and safe, effective birth control measures for all people no matter where they live.

We need to have education for the public for, as members of the House know, 80 per cent of the world's resources are consumed by a mere 20 per cent of the people. Not only must we address what goes on half a world away, but we must look into our own areas, our own spheres of influence to address these problems in our own home. Without doing this we cannot credibly ask other countries to do the same.

We must aggressively market our natural resources in a sustainable fashion. I would suggest that we put an increased emphasis on our value added product.

One of the great accomplishments in recent times of our country has been the ability of our country to negotiate the World Trade Organization, an enormous accomplishment for a country as small as ours. I hope this will improve the links between trade and sustainable development that will occur among a number of countries and we as a country can actually act.

On the World Trade Organization, I hope we can enter into this rules based system. This brings to mind one of the enormous strengths that our country has that we as Canadians tend to downplay.

• (1620)

I have said this before in the House. We are one of the few countries in the world that has the ability in terms of diplomacy, in terms of international respect, to bring countries together, bring them to the table, bring them to negotiate problems before they happen and to engage in discussions and agreements that will help to provide for sustainable development aspects and controls over pollution for a number of countries.

I do not have very much time but I would like to address a couple of aspects that affect in particular the west coast of British Columbia. One is the fisheries department.

We have on the west coast a horrible situation with the widespread decimation of fish which is definitely a sustainable resource, one that has been recently decimated, one that is on the verge of going the way the east coast fishery has tragically gone. I hope our minister of fisheries will accept some of the suggestions we have made and look at some of the solutions that we have put forth.

The problems occurring on the west coast are not merely environmental. There is terrible poaching occurring by all facets of the fishing industry, by commercial fishermen, non–commercial fishermen, sports fishermen, Canadians, Americans, aboriginals and non–aboriginals. All people within these sectors are responsible in part for this terrible decimation.

I would encourage strongly the minister of fisheries to engage in a judicial inquiry to determine once and for all what the root cause is and to root out the terrible things that have occurred in our west coast fishery. We cannot hide our head in the sand any longer to what is occurring.

Within the context of fisheries I know that we are constrained very much by fiscal restraints. I would suggest that the minister streamline the administration of the department of fisheries, there is a study that was done some years ago to this extent, but on the other hand to buttress up the department of fisheries officers who do an incredible job to try to save and help the west coast and east coast fisheries.

Another aspect is the forestry industry. Half of all the money that we actually earn on Vancouver Island comes from forestry. Recently we have come to an agreement that will enable us to have a sustainable west coast industry. I hope we will be able to use the expertise from that to teach other countries what we have learned from our mistakes.

Certainly there are terrible miscalculations and forestry practices that have occurred in the past in British Columbia. I think we are on the way to mending those. I hope in the future we will not lose sight of the recent accomplishments that we have made in this area and that we will be able to go ahead and expand these to not only involve forestry but also to involve the mining industry and other industries.

I would make a few suggestions about the division of natural resources. In these days of fiscal restraint does it not make sense for us to further divide the areas of responsibility? Clearly most of the responsibility lies with the provinces. I would encourage this government to give some of the federal responsibilities to provincial jurisdictions where they truly belong. In this way we could streamline the administration, streamline the responsibilities, decrease the administration and save the taxpayer a great deal of money.

In conclusion, we are faced with a balancing act between the needs and demands of an economy and a people who have to earn a living and must provide for themselves and on the other hand a need to balance the needs of our environment. Without a sustainable resource, without a safe, effective environment for ourselves, for our children and for our grandchildren we will not be in a world that we will want to live in.

I hope we will take these principles and apply sustainable development to our beautiful natural resources so that we and future generations will be able to enjoy them.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I want to say a few words on the bill which sets up the Department of Natural Resources. It is a very important one. It amalgamates the old Department of Energy Mines and Resources and Forestry Canada. Forestry Canada has been of extreme importance to this nation as a whole since day one of Canadian colonial history. I have said before in the House that the three things that were the economic foundation of pioneer days in Canada and certainly since Confederation were the fisheries, forestry and agriculture. All of them certainly have their challenges in today's world.

• (1625)

Bill C–48, the bill before us today, makes explicit reference to the minister's duty to foster the sustainable development of Canada's energy, mineral and forest resources. This means that the government's economic, social and environmental objectives will be factored into all decisions about resource development management and use.

One way the new department will pursue sustainable development is through the work of its scientific branches. Natural Resources Canada will continue to have vibrant science and technology arms in the form of the Canadian Forest Service, the Geological Survey of Canada, the Canada Centre for Mineral and Energy Technology, and Geomatics Canada.

Much has been said in the House today about the rights of the provinces. We are all very well aware that the provinces have a big say in natural resources. I, coming from Ontario, also know how some of those resources have been managed over the years. It is time for a co–ordinated and sustainable development program in co–operation with both provincial and federal governments.

There are many examples of partnerships between the federal government and the provinces. Great efforts have been made to build a bridge for the two. For instance, the Canadian Council of Forest Ministers from across Canada has recently agreed on a framework for future co–operation in the areas of science and technology, international trade issues, regional development, aboriginal forestry and national co–ordination.

In the energy area the department is working closely with Environment Canada officials, the provinces and other stakeholders to develop a national action program on climate change. This is in keeping with Canada's commitment to stabilize greenhouse gas emissions at 1990 levels by the year 2000.

This commitment follows our international obligation under the convention on climate change which Canada signed at the 1992 earth summit in Rio de Janeiro, Brazil. The reason I raise this matter is that in today's world it is not as simple as in past Canadian history to say this little compartment belongs to the provinces, this belongs to the federal government, and so on. With new technology, new demands and our outlook in the global world today we have to have more co–operation and bridge building between federal and provincial governments at home if we are going to compete effectively and efficiently.

Across the country we have several research and development institutions with regard to the forest industry. In my own constituency we have a national forestry institute located near Chalk River. It is called the Petawawa National Forestry Institute because it is actually located on property owned by the Department of National Defence.

It is very important because of the fire research. What is better for sustainable development than to have expertise in fire research out there? How many hectares of property, how many square miles of forest is destroyed every year by forest fires? Therefore the more we know about controlling fire the better it is for sustainable development.

• (1630)

What better program can we have than for example the research and development on the rapid growth of trees that goes on at the Petawawa National Forestry Institute? It has experimental plantations which date back to 1917.

Base Petawawa itself was first set up by the Laurier government in 1905. Twelve years later, what is called Forestry Canada today had its roots—if I may use that term—on 41 square miles of that territory which was purchased by the Government of Canada in 1905 for a military base. The Department of National Defence has honoured the research going on in that 41 square mile area. Research cannot be turned off overnight. Some of the ongoing experiments there are decades old. It is a very important institute.

Other institutes across Canada, in western Canada, Quebec and Atlantic Canada also have a tremendous amount of work going on of a positive nature for the country's forestry industry. I have no problems with the Department of Natural Resources promoting forestry research in Canada. It has always been a federal responsibility in Canada to do part of forestry research. The provinces do part of forestry research. There is no big conflict. They are talking to each other and co–operating. That

is what Canadian federalism and the Canadian national spirit is all about.

Some other very important institutions are attached to the Department of Natural Resources. I want to talk about one of my favourite subjects today. That is Atomic Energy of Canada Limited which reports through the Minister of Natural Resources to the House of Commons.

I was quite concerned one day not too long ago. I was sitting in the House listening to a speaker from across the way talk about the waste and lack of productivity in crown corporations and so on. I was trying to get the floor but time ran out so I am going to say now what I wanted to say then.

Atomic Energy of Canada Limited is a crown corporation and has been around as a corporation since 1952. It was started by the National Research Council of Canada in about 1945. I will give some very revealing highlights of this crown corporation which has been a success to the country.

Research and development is the force that drives the economy in any nation and I will give some facts. In developing Canada's nuclear energy capability, the federal government has appropriated $4.7 billion to Atomic Energy of Canada Limited since 1952. That is for the last 42 years. After putting $4.7 billion into it, what is our return?

Ernst & Young, a well–known consulting firm, has made a report on that very issue and has come up with this evidence. At least $23 billion was contributed to Canada's gross domestic product by the nuclear industry from 1962 to 1992. Within a 30–year period $23 billion came back into the gross domestic product of this country from an investment by the Canadian taxpayers of $4.7 billion over the 40–year period from 1952 to 1992. If we simply subtract $4.7 billion from $23 billion there is a gross net gain of $18.3 billion for Canada's economy. And someone has the nerve to stand in the House and state that it has been a drain on the Canadian economy.

• (1635)

Let me give another fact. Ontario has a large industrial community. Yes it was hurt by free trade for a while but it is coming back. A rather interesting statistic is that today 60 per cent of the energy supplied for industrial and domestic use in the province of Ontario comes from CANDU reactors. If we did not have them we would have to use more coal.

Because of geography, the coal for the southern Ontario coal burning plants has been imported from the United States. Ontario Hydro estimates that from 1965 to 1989 nuclear energy has saved the Canadian economy approximately $17 billion on foreign exchange. That is because we are not shipping money out of Canada to Pennsylvania and other areas in the United States to buy hard coal for coal powered plants. Think of what the saving is on environmental issues in the province of Ontario alone.

These facts have to be put on the record because there are too many statements made which attack Canadian organizations and other traditions and institutions of the country without having the proper facts to back them up.

In the 1990s foreign exchange savings will amount to approximately $1 billion a year.

We recently sold two reactors to China. That will mean a lot of money to businesses in this country. One thing was not highly emphasized during the recent trade negotiations with China. An important event that happened during the visit of the Prime Minister, the nine premiers and approximately 375 business people to China was the signing of a nuclear non–proliferation treaty between Canada and China.

Once again Canada is leading the way in putting in place those cornerstones of international necessity with this agreement between our two countries. That reminds us of something else. It was Canada that first recognized Red China, as it was then called, and recognized China as an official state. That opened the door for the U.S. to follow. That opened the door for President Nixon's visit to China. That opened the door for some communication which was absolutely necessary during those cold war days. It has fallen upon Canada to bridge the gap between ourselves and China and other nations can follow thereafter.

• (1640)

Direct employment in Canada's nuclear industry in 1992 was estimated at 30,000 jobs. Direct employment increased approximately 9 per cent in a three–year period alone. A minimum of 10,000 jobs in other sectors indirectly depend on the nuclear industry, another contribution. Nuclear energy supplied 15 per cent of the total electricity across the whole of Canada in 1992 which was valued at $3.7 billion.

Private sector companies which supply nuclear products and services had total sales of $9.4 billion between 1988 and 1992. The federal government receives approximately $700 million annually from the nuclear industry in the form of income and sales taxes. Canada's nuclear industry had a trade surplus of approximately $500 million individually in recent years.

Those are some of the facts of the tremendous contribution to economic growth that I wanted to put on the record today.

The problem with research and development in Canada over the years has simply been that people look for a return the morning after investing their money. That cannot be done with R and D.

In the future we have to encourage private enterprise in Canada to do more and more R and D on its own. However government will always have a place in Canadian research and development. Certain areas of development would not take place if they were not started by the government itself. Then private enterprise moves in and there are spinoff industries and a bigger return.

Let me give one more example of something I certainly want members of the House to know. There are 690 hospitals across Canada. I doubt very much if there is a single member in this House who is not affected by the fact that those 690 hospitals are licensed by the Atomic Energy Control Board to receive medical radioisotopes for their hospitals for sterilization for example.

Where do we get medical radioisotopes? From a nuclear reactor. One thing the Tories did badly when they were in power was that they sold the radiochemical part of AECL to the company that eventually became Nordion International. The whole incident has resulted in a dispute between Nordion and Atomic Energy of Canada Ltd. A facilitator is trying to put that together today.

Canada controls 88 per cent of the world's market in radioisotopes. The Americans heard that the former president of AECL had cancelled the Maple–X reactor which was in the process of being built. The Americans got into the act and hauled one of their old reactors out of Los Alamos. They tried to build it up so that they could produce medical radioisotopes.

• (1645)

One of the greatest contributions that can be made to Canada today is getting the medical radio isotope dispute settled quickly and getting on with the business of retaining the 88 per cent of world trade in radio isotopes. It has been a great contribution to medicine. A considerable amount of research into cancer and many other medical problems has been done by Atomic Energy of Canada Limited.

I wish the minister well in the administration of natural resources and those organizations that are attached to her department because the natural resources department means a great deal to the future of the country. We need research and development, new science and technology and a good management system for our natural resources. That means sustainable development.

[*Translation*]

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for The Battlefords—Meadow Lake—Grain Transportation.

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, we are presently on third reading of Bill C–48, which will unfortunately end up in the bill being passed as is by the Liberal majority in this House.

Relevant suggestions were made by my colleagues and myself at second reading to bring it more into line with the spirit of the Canadian Constitution, but our efforts have been in vain.

In committee, we tried again to have certain clauses of Bill C–48 changed, so that the leading role of the provinces with respect to natural resources would be recognized. But again, the Liberal majority systematically rejected any proposal along those lines.

Hon. members are well aware by now of all our reasons for not supporting this bill, but it is important to repeat what these are for the benefit of those who are watching the proceedings on television. The public must understand what this debate is really about and why the Bloc Quebecois is against Bill C–48, which is not flawed in its structure, but in its very essence.

On behalf of the people of Quebec, who have elected us to look after their interests, I would like to go over once again the reasons, albeit obvious, why we are asking that the bill, as it stands, be purely and simply withdrawn.

As my hon. colleague from Matapédia—Matane said earlier, anything having to do with natural resources is affected by this bill. The bill does not recognize the exclusive jurisdiction of the provinces over natural resources and, therefore, is in contravention of Section 92(*a*) of the Constitution Act, 1867, which clearly states that mines and forest fall under exclusive provincial jurisdiction, and this was confirmed by the patriation of the Canadian Constitution in 1982.

Such interference maintains redundancy among all natural resources ministries and departments in this country, hence the risk of contradiction, duplication and overlap in many regards.

We must conclude that the federal government's lack of co–operation is not a healthy way to manage this country, because it does not look for ways to eliminate overlap and duplication at the Department of Natural Resources and is unwilling to recognize the provinces' predominance by staying in the background and letting the provinces design their own programs.

The issue of mining and the environment is a good example. Contrary to common sense, the federal government is set to proclaim the Canadian Environmental Assessment Act and will soon table amendments to this 1992 act. It wants to create a Canadian Environmental Assessment Agency to replace the Federal Environmental Assessment Review Office.

As usual, this environmental bill is not bad per se, but not bringing it into line with the various provincial programs will cause often unjustified delays because it will be cumbersome to

deal with two administrations instead of one. The only acceptable administration is that of the province concerned.

• (1650)

In this regard, the mining industry is very worried about possible delays in processing mining licence applications. Decisions already take too long—often more than one year—and jeopardize projects because of the amounts involved that must be frozen over long periods of time, thus reducing profitability.

For example, the Grevet mining project in my riding, which involves potential investments exceeding $100 million, was put in great jeopardy by the wait for the mining licence, in particular for the environmental permit. This example shows that Bill C–48, by failing to recognize provincial predominance, opens the door to interference that could seriously harm the industry, thus endangering jobs we all need.

The federal government knows that the provinces have long had their own natural resources strategies. The provinces already carry out environmental assessments of projects, and the process that the federal government wants to put in place will increase overlap and duplication. The federal government refuses to recognize the provinces' legitimate rights; its assessment and review process is outrageous. It will cost everyone very dearly and will continue to do so if we do not find ways to have a "single window" where industry will be able to obtain information and where the projects will be accepted in as little time as possible.

Unfortunately for the industry, which wants to be efficient and profitable, the federal government has new requirements. It wants new regulations. It wants more projects to be subject to a thorough review. Clearly, this means a waste of time and money, confusion and long delays in approving and implementing these projects.

As an aside, I would like to give a specific example of the slowness of government bureaucracy, in particular in the Department of National Health and Welfare, to which I wrote on May 24, 1994 on behalf of several of my constituents; I received a reply only on October 27, 1994. If it took five months for a department to answer something relatively simple, Mr. Speaker, imagine the delays that more complex issues, like environmental assessments, will involve.

In the present economic environment, we must streamline, and Bill C–48 would have been a good chance to do that. Increasing the number of structures and the amount of duplication must stop before it is too late. In our work on the parliamentary committee studying Bill C–48, we could with simple amendments have made several clauses reflect the provinces' primary jurisdiction over their natural resources.

For example, in clause 5 on the powers, duties and functions of the Minister of Natural Resources, it would have been enough to say that these powers, duties and functions are subject to the principle of provincial predominance in the field of natural resources. This would not have reduced the powers, duties and functions of the minister, but it would have reasonably put them in relation to provincial priorities.

As regards clause 7, the Bloc Quebecois wanted an annual report to be tabled by the minister, so as to make her department accountable for its mandate and objectives. In his most recent report tabled yesterday, the Auditor General of Canada states clearly, on page 8 of the booklet on main points: "7.1 Two years ago we called for government to reform its departmental reporting to be more transparent. We suggested that Parliament should expect and receive a regular accounting for the exercise of the entire business of government: in a phrase, global stewardship. This year, we continue this theme of transparency by following up on our 1992 Report, and extend it to the sectoral activities of government".

"7.4 We believe that there should be better sectoral reporting. This means that when a sectoral activity is identified, one department has to be given the lead responsibility to provide a summary–level report to Parliament for the entire sector".

I should point out, Mr. Speaker, that we did not ask for an extensive report: we simply wanted an internal report on the quality of services.

Here is one last excerpt from the Auditor General's report: "7.5 But in the end, reporting of any kind will not change soon unless Parliament is explicit in letting government know that current reporting is inadequate and that it wants it changed". The Auditor General's report seems to confirm that it was not such a bad idea to ask that Bill C–48 be amended so that a clear and concise report be submitted at least once a year.

• (1655)

It was certainly legitimate to table this amendment so that parliamentarians and Canadians could monitor the usefulness and the efficiency of the programs developed by the Department of Natural Resources.

As regards clause 27 of Bill C–48, we wanted the minister to have the authority to enter into agreements only with the provinces and not with any person or body of her choice, since only the provinces can define their policy on natural resources. Clearly, overlapping and duplication could resurface if, for some reason, the minister decided to promote a specific policy.

Finally, clause 35 of Bill C–48 not only suggests overlapping and duplication but also federal interference in a field of provincial jurisdiction, as stated in the Canadian Constitution.

Indeed, through clause 35, the minister is giving herself the power to enter into agreements with any person or body in a province, without that province having any say. As I mentioned earlier, the issue is not the quality of the federal government's action. The member who spoke just before me noted that it is sometimes necessary to have a national policy as, for example, in the case of nuclear energy. No province has a concrete

nuclear energy policy, although many provinces have policies in terms of forestry and mining.

The issue here is not to control the quality of federal measures, but to ensure that the federal government acts within its jurisdiction and respects the agreements and policies elaborated by the provinces.

In fact, Quebec has never signed the National Forest Strategy nor the Whitehorse Work Group Agreement concerning the mining industry. Quebec wants the federal government to recognize the predominance of provinces in the area of natural resources before signing any document appointing the federal government as the national director whose decisions provinces would have to follow in order to get tax money.

This is why Quebec wants the right to opt out, that is to withdraw from a federal program with full financial compensation.

Given the financial crisis we are going through, we are entitled to ask politicians and legislators to focus on efficiency. It is possible.

Right now, all the members sitting on the Standing Committee on Natural Resources are examining briefs concerning the mining industry which were submitted by witnesses from various provincial governments and the industry. Their goal is to prepare the most accurate report possible on the tools needed to promote the mining industry and job creation in this area. This type of co–operation is a credit to the members. Efficiency could have been the main concern during the drafting of Bill C–48, as in the case of any other bill.

In concluding, I would like to mention the position of the Quebec Minister of Natural Resources, presented by Mr. Jacques Robitaille at the annual meeting of the Canadian Council of Forestry Ministers on October 4 and 5, 1994, and I quote:

> Regarding the main point on the agenda, Quebec's position is as follows: We will not be a party to preparing and ratifying a framework agreement whose purpose would be to assign a role to the federal government in an area over which the provinces have exclusive jurisdiction.
>
> Both Constitution Acts are perfectly clear on the forestry sector, in that management of forest resources is the exclusive jurisdiction of the legislatures of the provinces. In this context, we could not consider approving any intervention in this sector by the federal government.
>
> Furthermore, as far as financing is concerned, Quebec favours bilateral agreements that identify funding procedures for programs based on the priorities of the provinces and administered and delivered by the provinces.

This position is clear and ought to be reflected in the spirit of Bill C–48. Considering that the principle of provincial priorities is not reflected in Bill C–48, we will vote against the bill.

• (1700)

[*English*]

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it gives me great pleasure to speak to Bill C–48, a bill on natural resources. This is particularly important to my constituency of Kootenay East because many of its people are directly employed in the resource industry.

I would like to speak briefly about mining and about forestry. In my constituency I have Canada's largest operating mine. In 1991 over 5,200 British Columbians were employed directly by the coal industry. These jobs represent 12,500 jobs in the service sector. As a matter of fact, over 15,000 workers in the transportation and service sectors rely on the coal industry for their livelihoods.

My constituency office is in the town of Cranbrook and is as directly related to that as is the Elk Valley. The House should also recognize that coal accounts fully for 20 per cent of all rail traffic in Canada. Therefore coal is a very important issue to Canada and to our natural resources.

One of the difficulties I have had in coming to Ottawa, indeed in coming to the House, is that there is very frequently the impression left that natural resources somehow are a sunset industry, that is that industries related to natural resources are somehow in sunset and that the information highway is going to carry us off into the future.

Truly we do have to be working on the high tech side of our economy but as I see it we continue to be in Canada, whether we want to be or not, very dependent on natural resources. In 1991 B.C. coal producers exported 22 million tonnes of metallurgical coal and 2.8 million tonnes of thermal coal. These sales were worth $1.6 billion. That is a lot of money. When I combine that together with the international sales of forestry of $22 billion, we get an idea of the importance of natural resources.

The problem particularly in the case of the mining industry is that the multilevel of Canadian governments is basically taxing the business out of existence in Canada. Between 1987 and 1991 the B.C. coal producers combined earned only $8 million, but they were taxed $454 million. Let me repeat that because I think it is very significant. Combined over a five–year period the B.C. coal producers earned only $8 million but in the same period of time paid taxes of $454 million. For every $1 of profit these producers were taxed $57.

Since 1991 tax increases in B.C. have added $12 million to $15 million a year to the coal producers' costs. The B.C. coal industry is facing a grim future. The choice is between coal output and reducing employment. Unfortunately for the workers in the Elk Valley they are too familiar with the choices that are

currently having to be made. The cost of increased production is unmanageable. The only choice in order to remain solvent is to reduce jobs.

In 1992 two of the coal mines in my constituency closed, causing the loss of 1,900 jobs in an area with a population of approximately 10,000. We can see the significance of this. Although the mines have reopened, they now only employ half the original number of employees. The House should also also be aware of the fact that human resources development currently has decided to go against a ruling by Revenue Canada and is going after registered retirement pension funds of the former employees in an attempt to regain overpayments of UI.

I am currently fighting that on behalf of the workers in the area. We get an idea of how far we have gone. Some of these people are losing their homes and the government, right now with two departments in conflict with each other, is going after these people's registered pension funds. I find that absolutely, totally unacceptable.

• (1705)

Back to the issue at hand, the Canadian mining industry is already taxed higher than any of its international counterparts and because of the larger tax burden Canadian coal has become less competitive in international markets. The fact is that international prices have plunged 35 per cent in metallurgical coal and thermal coal has plunged 20 per cent since 1987. Yet what has happened to taxes? We know what has happened to taxes. They have increased.

Another problem for the coal miners in my area is that mineral minimum taxes are more than three times higher for coal mines and hard rock mines in British Columbia. Property taxes are more than three times higher for coal industry than residential rates.

Mr. Milliken: Tory times were hard times.

Mr. Abbott: If Tory times were hard times it would be very advantageous if the Liberals would learn from the hard times of the Tories and do something about the situation in my constituency. The simplest way to describe taxes is confiscation of capital, confiscation of the capital required by the companies to be able to do the job.

When the GST was introduced it was sold to industries as a tax that would benefit the export industry because it removed hidden taxes. The $100,000 of federal sales taxes the GST removed from the average mine was overshadowed by $600,000 to $1 million created in fuel taxes. Coal producers paid $4.4 million in federal fuel taxes and another $5.4 million in provincial taxes.

Furthermore, to move the coal from the coalfield in the southeast corner of British Columbia to port, those fuel taxes are yet another factor that puts them at a severe disadvantage to other producers around the world.

It was interesting that the member for Renfrew—Nipissing—Pembroke was referring to the fact that the thermal plants operated by Ontario Hydro are powered by coal imported from the U.S. He said it very well. What this basically means is that the coal miners, the workers in Canada, do not have the jobs. Furthermore the coal imported from Kentucky has a significantly higher sulphur content than the coal that is currently available in my constituency.

Why are we not using a more benign coal, the B.C. coal, at Ontario Hydro? Why are we not employing the people in British Columbia to mine and refine the coal and deliver it to Ontario Hydro? Why are we sending the dollars to the United States? It is because taxes cost jobs. The taxes on the transportation of the coal from the southeast corner of British Columbia to Ontario means that we use a dirtier coal, coal from Kentucky, we send them our money and we let their workers work. Taxes cost jobs.

The country was founded on its abundance of natural resources. Our rich mineral deposits have sustained the quality of life which Canadians have become accustomed to. We only need to take a look at what has happened in the fishing industry, particularly on the east coast and now under the current minister of fisheries. I should call him the oceans minister. We are coming to much the same kind of situation on the west coast. The difference is that due to the mismanagement by the department of Canadian oceans we have lost our resources. In the case of the west coast due to the continuing mismanagement our resources are under threat.

The difference is that in this case, in mining, the resources are still available but the mining is being taxed out of existence rather than the resources going away. We need to make sure that we have the ability to continue to draw on this resource. The mineral resources in British Columbia, the current proven mineral resources, show us that at the current rate of production there is another 500 years of production available.

The European governments provide $14.8 billion U.S. in subsidies to their domestic coal producers. I am not suggesting that we should subsidize our coal producers but I am saying that we must stop taxing the life out of Canadian mines.

• (1710)

We are going right at the moment into the abyss of a chasm that we require a rail bridge across. When we put that rail bridge across the chasm in the mountains we then say that is a property improvement. As a result the regional districts along the way between the coal mines and port end up actually charging

municipal taxes on the bridges, on the rail line, in the mountains going across the chasm.

What is going on in Canada at the moment is that we are taxing our mines, taxing our natural resources at such a rate that we are going to put them out of production.

The government saw firsthand how a reduction of cigarette tax created a greater volume of revenue through the increase in consumption. If we were to take a hard look at what we are doing in terms of taxes on our coal mines, on our mineral producers, on our natural resource producers, we would see that by lowering the taxes they would be able to increase demand.

Our party is in an interesting position because on one side of the coin, particularly with respect to Bill C–48, we are saying that the Department of Natural Resources must be downsized at the federal level. There must be more power to be able to regulate at the provincial level. We must see a decrease in expenditures at the federal level and we must see a decrease in control.

That is our position. However I must relate to the House that there is an interesting situation in the province of British Columbia where there is an NDP government. It seems to have some kind of an idea that it can do things completely out of context to what world demands are. It has come forward with a study called "The Committee on Resources and Environment", CORE. Under CORE there have been studies. There has been input from a tremendous number of people. It has come back with a report that supposedly has a very broad base. I see more regulation, not only taxes.

It is not just me. I will read very briefly from a couple of news reports. Cranbrook city council will oppose implementation of the east Kootenay CORE report recommendation. In unveiling the report Owen, the person responsible for putting the report together, said east Kootenay CORE table members can take pride in the fact they put it together. This has been an ongoing process for about 18 months. That did not sit well with councillors Ron Tarr and Jim Kenelly. "It was not a made in the Kootenay report", Tarr said. "It was a Stephen Owen report", said Kenelly.

In speaking to the people who took the time, and they took a lot of time to get into the consultation process, I am told that the CORE report simply does not reflect what was agreed to at the table. The regional district of east Kootenay on Friday passed a resolution asking the provincial government to delay adoption of the CORE report until it heard from area municipalities. The east Kootenay district said it had grave concerns about the plan.

Lest we think it is just the politicians who are getting into the act here, the workers at Crestbrook Forest Industries Cranbrook sawmill have joined the list of those opposing Stephen Owen's east Kootenay land use report. Scott Manjack said CFI management has had its say and now it is their turn. The workers may agree with company officials but feel they should have a voice as well. In this instance we are on the same side, which is not always the case.

We would not normally expect the workers on the green chain or the workers who are on the tools to necessarily be in tune with the company. Then we hear from a person who is actually in the office with the staff. There is a grassroots opposition group forming to fight the east Kootenay CORE report. Members fear it could ruin the industry. "We are little concerned about its economic implications", said Kay Eff, "no we are a lot concerned". Eff is a member of the Canadian Women and Timber Organization and an employee of Crestbrook Forest Industries. She said: "This is not about my employer; it is about our economic future here".

• (1715)

Finally, we look again at the mining side. The CORE report recommends increasing protected areas where resource extraction is excluded from 13.1 per cent to 16 per cent. Coal bearing crown lands in the east Kootenay represent approximately 4 per cent of the area and yet coal mining is the single largest contributor to economic wealth. Coal lands designated as dedicated represent only 35 per cent of the total area of coal bearing lands, excluding private lands.

The difficulty with this report and the reason I bring it to the attention of the House is that even when we talk about the potential of downloading some of the responsibility, the people, our constituents, whether they are voting at the regional district level, at the municipal level, at the provincial level, or at the federal level, must make their representatives accountable. The representatives must be responsible in the recommendations they bring forward.

I had an opportunity a number of months ago to make a trip on the west coast with some members of the European Union. They came over to take a look at our clear cutting. I found it quite fascinating that as we were travelling north from Nanaimo to Port Alberni they were looking out the window trying to figure out what these tall things were beside the road. Of course they were 90–foot trees. They were a little bit nonplussed. They really did not know what it was they were looking at because a map that had been provided to them in Europe by the Sierra Club showed it as a desert.

The legend of the map said that this area had been logged, was going to be logged, or was actually out of production. Yes, it had been logged. It had been logged 40 years ago and now we have 90–foot trees beside the road. They were wondering what was going on.

As a direct result of that trip the natural resources committee undertook a study on clear cut logging. The committee made a couple of recommendations and this comes from the report back to the House from the natural resources minister: "Canada believes that internationally agreed rules would help all nations in their efforts to move toward sustainable forest management. Canada through the Canadian Council of Forest Ministers and in consultation with a broad range of stakeholders has begun a

process to define criteria and indicators that will be a scientific and technical basis for measuring our progress toward our goal of sustainable forest management.

In addition, Canada is actively participating in an international process to define criteria and indicators for temperate and boreal forests. During the past year Canada has cohosted with Malaysia the intergovernmental working group on forests to help determine the future path for international sustainable forest management. This will contribute to the work of the United Nations Commission for Sustainable Development as it reviews progress toward the goals agreed to at the UNCED".

I absolutely recognize, contrary to my friend in the Bloc, that there is a place for a Canadian natural resources department, particularly as it relates to international trade and international issues.

In the area of communication, the recommendation from our clear cut committee was that the federal government, in conjunction with the provinces and territories, industry, environmentalists, and other stakeholders, strive to consolidate the communication strategies currently employed in international markets into a single and effective campaign to promote Canada's forest management practices abroad.

The response by the minister was supportive of that. Her department says the Government of Canada agrees with this recommendation and recognizes that foreign customers, retailers, and nations are seeking assurances that the forest products they purchase originate from sustainably managed forests.

With 50 per cent of Canada's forest products being exported, the economic health—

• (1720)

The Deputy Speaker: The member's time has expired.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I have a brief question. In the interest of time, brevity is important.

I listened to the hon. member's speech with a great deal of interest. He spent 20 minutes on a wide range of subjects, some of which I am quite grateful for the interventions that the member made. I understand he supports the bill just as I do, but I did not hear anything in his speech about why he supports the bill. I wonder if he might briefly give us some indication why the legislation in front of us—

The Deputy Speaker: The hon. member for Kootenay East.

Mr. Abbott: Mr. Speaker, I apologize because unfortunately I did not see any signal from the Speaker so I did go over the time. My apologies.

In response to the member, the main reason I support the bill is because I believe, in terms of the consolidation of the departments and the way in which the bill has been put together, it will create efficiencies.

My major concern however is that we make sure the Department of Natural Resources at the federal level does not encroach on other levels of government. As a matter of fact we should be looking to efforts, as I have suggested, to divest the natural resources department at the federal level of some of its control and give it to the provinces.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak to Bill C–48, a bill that reorganizes the Department of Natural Resources.

The issue of natural resources is very important to my constituents in Kindersley—Lloydminster. Primary industries form almost the entire economy of west central Saskatchewan and are affected by this department or by the department of agriculture. Agriculture is also a natural resource.

Within my riding there are two potash mines, the Cory mine near Delisle and the Cominco mine near Vanscoy. There are also two Domtar salt mines, one near Biggar and the other at Unity. I have a vibrant oil and gas industry within my constituency, as well as the controversial government megaproject, the heavy oil upgrader at Lloydminster. The majority of my constituency is involved in the greatest natural resource of all, agriculture.

I have included agriculture as a natural resource even though it is traditionally thought of as separate from the other primary industries and perhaps is not affected by Bill C–48. It is appropriate in today's tough fiscal climate to reconsider the role of government in the lives of those working in primary industries. After all, this sector is the primary stimulus of all other economic activities.

Currently Canada's primary industries are divided into three categories by the federal government. There is agriculture and agri–food, fisheries and oceans, and then mining, forestry, oil and gas, atomic energy and other energy sources grouped together in the Ministry of Natural Resources. As the direct role of government in these industries decreases it may be time to consider an administrative merger of these departments.

It is worth while to consider that most of the provinces also have these three departments. Once we can agree which of these responsibilities are federal and which fall within provincial jurisdiction it will be easier to avoid duplication of effort. This will lead to less bureaucracy and may facilitate a merger of the federal ministries at considerable savings for Canadians.

I do not want to give the impression that it is the policy of my party that these three ministries be immediately merged. I am merely suggesting that the current division between Canada's primary industries are somewhat arbitrary. On examination it may prove optimal to merge two or three of these departments.

Currently the federal government seems to have its priorities reversed when it comes to funding our primary industries. The Lloydminster upgrader in my riding is a good example. Within the oil and gas industry the federal government concentrates its efforts on subsidizing the most expensive oil to produce like the heavy oil upgrader, the Alberta tar sands and the Hibernia project. The conventional oil and gas industry is then taxed more heavily to provide the money to subsidize the otherwise non–viable enterprises.

If governments would avoid the megaproject boondoggles and reduce the tax burden on the smaller companies that are making a go of it on their own the industry would blossom and flourish. We would find that both productivity and employment within the industry would increase. The government would discover that the industry would employ more people than the megaproject would employ in any case.

• (1725)

Those real jobs within the industry are more likely to be permanent jobs than the jobs created by government subsidy where megaprojects lose money or perhaps even collapse. The same is true throughout Canada's primary industries. The conventional industry, which provides most of the jobs and job growth, is heavily taxed in order to subsidize government megaprojects.

Being a farmer I am familiar with agriculture but the past year has given me the opportunity to become familiar with other primary industries within my riding. Earlier this spring I toured the heavy oil upgrader. I was impressed with its operation but on my tours through my constituency, I was even more impressed with the level of ingenuity and diversity of the people who are proving that large scale government intervention is not required to make industry work.

The renewal of the agriculture industry and the strength of the oil and gas sector has happened, some would say, despite the best efforts of the federal government.

The infamous national energy program of a previous Liberal administration is an example of Liberal gouging that still haunts the energy industry. The industry will not stand for another form of carbon tax no matter how the government chooses to disguise it. Instead of presenting these reorganization bills such as Bill C–48, why does the government not assure us that there will be no raping of the energy industry via taxation or via regulation?

The reason I mention all these activities in my constituency is to demonstrate that large scale government intervention is neither necessary nor is it wanted. If farmers, foresters, fishers, and oil men and women are left to run and develop their own industries then more economic activity will result. Not only does the government activity in these areas not lead to a rejuvenation of the economy, but it is largely counterproductive.

These megaprojects create an artificial competition which, when combined with the higher taxes needed to support government enterprises, stifles the growth and productivity that would naturally occur.

Bill C–48 is yet another housekeeping bill brought in by the Liberal government. For the most part, it merely amalgamates the old Department of Forestry with the Department of Energy, Mines and Resources. I support the principle of consolidating government departments but it seems to me that when the government is reorganizing departments it makes sense to rethink its whole involvement.

What better time is there to seriously re–evaluate the role of the government in the area of natural resources? What better time to do this than in the first year or two of a new Liberal administration? Unfortunately what we have is an old bill reintroduced into the House with a few new brush strokes and no new imagination or input.

Rather than conduct a long overdue and in depth evaluation of the role of government, the Liberals would rather do nothing and just pass the legislation prepared by the previous government.

I support the small step the bill takes in reorganizing the government bureaucracy but I do not feel that the bill will improve the plight of the industry at all. There is still a long way to go. I am looking forward to the day when the government introduces some serious legislation in the area of primary industries.

The current model of government involvement does not reflect the reality that exists today outside the Ottawa bubble. The massive amount of bureaucracy and administration supporting the megaprojects is outdated and hurting the rest of the industry. The administrative overlap and high costs have to be cut. The natural resources industry is too valuable to the Canadian economy to be regulated to death.

In closing I will repeat my support for the principle of the bill. I look forward to the day when the House can consider some legislation with a little more meat in it.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Call in the members.

And the division bells having rung:

Pursuant to Standing Order 45(5)*(a)*, I have been requested by the chief government whip and the chief opposition whip to defer the division until a later time.

[*English*]

Accordingly, pursuant to Standing Order 45(5)(a), the division on the question now before the House stands deferred until tomorrow at 10 a.m., at which time the bells to call in the members will be sounded for not more than 15 minutes.

[*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*]

FIRST NATIONS HOUSING

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

That, in the opinion of this House, the government should consider the advisability of improving housing for First Nations people, and in particular First Nations elders.

He said: Mr. Speaker, I am pleased today to present to the House for consideration and debate a motion that I consider to be of utmost importance.

It almost goes without saying that the living conditions endured by many of Canada's first peoples are deplorable. Study after study have established mountains of facts to support the need for addressing this serious problem. Year after year the federal government has found a new reason, a new excuse not to take the action that is required. The House's own standing committee said exactly that in its December 1992 report to Parliament "A Time for Action".

I would hope that MPs from all parties here today would support this motion so that the weight of Parliament can be added to the voices from First Nations communities calling for action on housing.

Before this debate today I called around to some of the leading voices in Indian country to get an up to the minute reaction to the current state of Indian housing. Briefly, they all speak in unison: not much has changed, the federal government must act immediately.

If we look at some available statistics and read some of the recent newspaper articles we can tell that the situation is actually getting worse. The Assembly of First Nations tells us that an assessment of the on reserve housing stock in 1984 indicated that 47 per cent of the stock failed to meet basic standards of physical house conditions, 36 per cent was seriously overcrowded and 38 per cent lacked some or all the components of basic amenities by which I mean running water, indoor toilets, a bath or a shower.

By comparison, a 1991 report by the Department of Indian Affairs and Northern Development indicated that of the 64,402 housing units on reserve 56 per cent failed to meet basic standards of physical house conditions. Of these 24 per cent require major renovation and 10 per cent require complete replacement. Thirty–one per cent have neither piped nor well water and 31 per cent in 1991 had neither piped sewage service nor septic fields.

Among the newspaper reports that I have in front of me is one that is written about a reserve in my own constituency. The headline from the October 19 issue of the Saskatoon *Star–Phoenix* reads: "Waiting list long for homes on reserve". It concerns the situation on the Mistawasis Indian reserve just 75 kilometres west of the city of Prince Albert.

After a fire left a family of eight homeless there was no replacement to be found. According to Mistawasis Chief Leona Daniels, quoted in the newspaper article, the band has 52 applications for houses from band members waiting for adequate housing. This number is not unusual says the Federation of Saskatchewan Indian Nations, the organization that represents most of the province's Indian bands. This number is not unusual because among all the reserves there is likely a shortfall of some 800 houses in Saskatchewan at this moment.

• (1735)

At the Red Pheasant reserve just south of Battleford, also within my constituency, Chief Mike Baptiste says there is a current shortfall of 146 units. The band has a number of young families on reserve looking for their own homes. There are a number of elders who are crowded into the homes with many children. There are many band members currently living off reserve who want their children to be raised on the reserve and attend the band administered school but they cannot because there is no housing available.

The newspapers are also full of stories concerning the situation of the Big Cove Band in New Brunswick where the council has reported that it has more than 500 people on a waiting list for housing. The band council has said that the response of the minister of Indian affairs to their problem—Indian affairs approved the construction of six new units this year, if you can believe this—is criminal.

Earlier I referred to the report of the Standing Committee on Aboriginal Affairs, an all party committee that travelled extensively and heard from First Nations people throughout Canada. I urge all members and particularly government members to have a look at this important and definitive report. Despite the fact that committee members expressed a sense of sorrow and helplessness in some of what they saw and heard, they worked to write a report with recommendations "intended to provide a path to resolve the housing problems that exist for native Canadians in order that they may achieve suitable, adequate and affordable housing".

Prior to writing the recommendations the committee noted: "There is inflexibility in federal housing programs, limited economic spinoffs for aboriginal and northern communities, lack of co–ordination between governments and programs, and difficulties assessing programs".

The committee went a long way to resolving these problems. First, the committee recommended that the federal government conclude the review of aboriginal housing that has been kicking around the department of Indian affairs since 1975 and to get on with the business of addressing the problems that are all too evident.

Second, the committee recommended that the government deliver all its funding for aboriginal housing through one agency and then transfer control of housing programs along with sufficient resources to aboriginal people.

An important part of the solution is sufficient resources. To this end the committee recommended that the necessary funding be provided. It particularly singled out the special needs of seniors, the homeless, the disabled and the victims of abuse. I will have more to say about this in a moment.

The committee also stressed that aboriginal people's cultural and practical needs have not been addressed in existing programs: "The committee recommends that the Government of Canada recognize that the only way to provide the flexibility that aboriginal people need to ensure the delivery of the kind of housing best suited to their particular needs is through self–government for aboriginal people".

Every group that appeared before the standing committee urged aboriginal participation and control over housing programs.

Before I leave the work of the committee I want to bring to the attention of this House the words of just a couple of witnesses: "One of the things so very important in community life, whether in Sioux Lookout, in British Columbia, or anywhere else is housing. It is important because it has all the ingredients to make the family work". That is a quote from Mr. Eno Anderson, executive director of the Shibogama Tribal Council.

From Bob Decontie, housing co–ordinator with the Assembly of First Nations: "Many of the communities have large numbers of houses that are overcrowded close to urban centres such as Calgary. We hear stories that there are 20 people in one house. These are things that have to be addressed. We have to address issues such as if you don't have a place to study what are the chances of you going to or doing well in school".

Even Canada's Auditor General in his 1991 report criticized the federal government for its handling of Indian housing issues.

• (1740)

I would like to quote briefly from the Auditor General's report, 1991:

> Inadequate and overcrowded housing, among other things, can contribute to societal and health problems, such as sickness, marriage breakdown, alcoholism and child abuse. The financial results can be measured in terms of higher cost of health care, social assistance benefits, policing and penitentiary services. Solving the housing problems on reserve could reduce the cost of health services and social assistance by improving social and health standards.

Again, here we are in follow–up three years later with a new Auditor General's report and still no action in this regard.

My motion today also specifically singles out the difficulties faced by Indian elders. I want to go beyond what has so far been debated on the issue, to look at the special needs faced by the growing population of elders living for the most part on reserve.

Non–Indian society has spent a great deal of time in the past 40 years developing a social security system that benefits our seniors. When it comes to aboriginal elders, we have forgotten they exist. From my own experience, I am proud of the seniors' special care homes that have been built in smaller rural communities across the prairies. When I visit nearby reserves I see nothing that compares. Indian elders who need special living arrangements or special care are often moved off reserve, away from their closely knit families and moved into the completely non–Indian environment in the nearest community with a seniors home.

On reserve where housing dollars are limited elders are frequently unable to obtain sufficient funds to upgrade their homes or move to a newer home because the money is not there to do that. In this case I would like to single out the work of the Sandy Lake or Ahtahkakoop First Nation. Indian leaders have done a fine job of developing the elders' lodge concept where Indian elders are cared for in a family and co–operative way, given independence in their day to day life and included in the

central activities of the band, including support for band government and the youth of the community.

This concept has received praise from every corner of the country but nothing has happened because there is no money and the elders are just expected to remain in their own home or on the couch in the living room of the home of their son or daughter.

The Ahtahkakoop elders' lodge was designed to meet certain needs. Let me quote from its proposal:

> Currently the elders are living in relative isolation from each other and the rest of the band due to the remote nature of their homes and they are restricted in their mobility by age or disability. This isolation has resulted in incidents of mistreatment and neglect. There is no capability for native people to service the needs of their elders and infirm within their own communities. As a result the sick and the elderly are removed from their homes and family to be treated or admitted into facilities capable of providing the longer term, higher care required.

The Ahtahkakoop study and proposal was done in 1990. It has had no movement from the federal government since then. I might add that other proposals along the same lines have been developed on numerous reserves in my own constituency and across Canada, concepts that include the ability of the community to best meet the needs of the elders who are living within that community.

We have heard about the money problems in housing. If Sandy Lake or the Makwa Sahgeiehcan Band in my own riding near Loon Lake, or the Sweetgrass Band near Battleford, also involved in wanting to build and support an elders' lodge, want to do this they have to use all of the money that is allocated to the Band for housing for three or four years.

That means that the only means available to properly treat aboriginal seniors on reserve is to take away all the renovation and all the new housing money available to everyone else on the reserve, including new families, returned Bill C–31 Indians and the disabled.

I would like the federal government to do some soul searching today in its deliberations on housing programs and its response to the need for greater aboriginal control and increased financial support. I also ask the government to consider the special and immediate needs faced by Indian elders.

• (1745)

It would be appropriate for the federal government to establish a new program that would make special financing available specifically for the construction and operating of elder's lodges so that the elders do not continually have to compete with others on the reserve for the housing dollars that do exist. The Minister of Indian Affairs has admitted that housing will be his priority in 1991.

We have heard the minister comment in the Chamber and to the media outside the Chamber about the royal commission on aboriginal affairs. When the minister was asked if he thinks the money is being well spent on the royal commission, his response was if he had that money to spend, he would rather spend it on housing. I think that acknowledges that even the Minister of Indian Affairs recognizes the priority nature of the crisis in aboriginal housing.

This is a new Parliament and there is a new government in office. The previous House was told by its own committee that action must be taken on aboriginal housing issues. At this early date, just one year into this Parliament, I urge prompt consideration and recommend that we cannot afford to wait for a better time to act. It is indeed, as the title of the House report stresses, a time for action. Too many people are suffering as we speak.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, it is a pleasure for me to rise and speak on the motion introduced by the hon. member for The Battlefords—Meadow Lake on aboriginal housing.

I begin by thanking the member for bringing this matter before the House. I can assure the House that the government and I share his concerns. I can also assure the House that we intend to address this issue as quickly as possible and in a manner that is socially and fiscally responsible to Canadians.

As the hon. member has made clear, the housing situation in many aboriginal communities has become extremely difficult in recent years. In some communities the qualify of shelter is truly appalling for a nation such as ours. In others the shortage of housing has reached crisis levels. These housing problems affect not only the elders, as was stressed in my colleague's remarks, but all sectors of the population including the rapidly growing proportion of young people.

A clear and decisive plan of action is required to correct these inequities which are contributing to many health and social problems on reserve, again as the member said.

My colleague is also correct in stating that in 1992 the Standing Committee on Aboriginal Affairs recommended a number of very specific actions to address the shortage of adequate shelter in aboriginal communities. However, due to the dissolution of Parliament none of these actions were taken.

The election that followed the dissolution of that Parliament gave Canadians the opportunity to vote for change, for a new approach to issues that face our nation. As we all know, Canadians took advantage of that opportunity in an overwhelming manner.

I am convinced that one of the reasons Canadians elected the Liberal Party to majority government was the sincerity and progressive nature of our policies for aboriginal people. Canadians have long acknowledged that action must be taken on aboriginal issues and the Liberal Party of Canada has the political will to deal with those issues.

The Liberal plan for Canada, the red book, which outlined the Liberal Party's policy initiatives during the election campaign made some very clear commitments to aboriginal people, commitments we have been working hard to fulfil.

For example, we made the commitment to implement the inherent right to self–government, something we are now working on with aboriginal leaders and others. We will achieve this. The advantage is that it moves toward the local control for which the member was arguing. We made a commitment to dismantle the Department of Indian Affairs and Northern Development, a process which has already begun in Manitoba.

• (1750)

That dismantling will leave the local control which the member knows is necessary to deal with this particular problem.

We made a commitment to uphold the honour of the crown by settling land claims through a fair and equitable process. This House has spent a great deal of time and energy over the past year dealing with enabling legislation for a number of land claim agreements. I have spoken in the House in those land claim debates. I have worked in committee on those land claim debates and I was glad to see some of them going through.

The land claims process also leads to the local control which the member knows is necessary to deal with this problem.

Also in the red book we promised to increase support for post–secondary education. Several months ago the Minister of Indian Affairs and Northern Development announced that $20 million would be added to the budget of his department's post–secondary education program bringing the total spending for 1994–95 to over $247 million.

Improved post–secondary education will lead to expertise at the local level which is also necessary to deal with this problem.

I, like the member, have dealt with the Hiawartha First Nation and the Curve Lake First Nation on matters of self–government and education and treaty matters. I am very interested personally in his suggestions.

We also promised to address health issues by giving aboriginal communities the tools and resources necessary to tackle these problems. Toward this end the minister of health recently announced the building healthy communities strategy. This strategy will provide almost almost a quarter billion dollars in additional funding over the next five years to address priority needs in the areas of solvent abuse, mental health, and home care nursing.

The member for The Battlefords—Meadow Lake knows that these matters are related to the problems which he is raising in the House today.

We also made a very clear commitment in the red book to address the housing issue which the member has raised in the House of Commons this evening. This again is something to which we have been devoting a great deal of effort.

Hon. members here must recognize that this is an extremely complex issue, one that requires a range of innovative solutions and the co–operation of many parties. It is not an issue that will be solved by money alone or, for that matter, by the federal government alone.

The red book acknowledges that: "Adequate shelter is a fundamental need of any society and a basic prerequisite for community prosperity". That statement was made in direct reference to the precarious housing situation in many aboriginal communities.

In response to the shelter challenge the red book commits the government to work with aboriginal people to develop an approach to housing that emphasizes community control, which the member has rightly stressed, local resources and flexibility in design and labour requirements, the local approach which the member for The Battlefords—Meadow Lake is arguing for.

I am pleased to inform the House that the government has been doing just that. Both the Minister of Indian Affairs and Northern Development and the Minister responsible for the Canada Mortgage and Housing Corporation have made it very clear that the housing crisis is a personal priority. To fulfil the government's commitment both ministers have directed their officials to work together to develop a new aboriginal housing policy.

Toward that end in the past several months federal officials have been working with the Assembly of First Nations task force on housing along with representatives of the Inuit Tapirisat of Canada, the Congress of Aboriginal Peoples, and others to develop a new policy.

Many issues need to be addressed in devising a new aboriginal housing policy, everything from ownership and financing to aboriginal involvement in construction, maintenance and management of the housing.

• (1755)

While aboriginal groups such as the Assembly of First Nations and the Inuit would like to see action taken quickly, they too acknowledge the need to work co–operatively with government and the private sector to develop viable solutions to this serious housing problem. The aboriginal leadership have shown determination and commitment in addressing this difficult issue.

In conclusion, while I commend the hon. member's concern and acknowledge his call for a renewed commitment to aboriginal housing, I think it is clear that the government's commitment has never been stronger.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I, also, would like to congratulate the hon. member for The Battlefords—Meadow Lake for his excellent motion. As a fellow member of the Committee on Aboriginal Affairs, I must say that he is known for his social commitment. This motion is entirely in keeping with the social positions he has taken at the committee's hearings.

I will start by referring to the report of the Committee on Aboriginal Affairs submitted in the previous Parliament and entitled "A Time for Action, Aboriginal and Northern Housing". A few years have passed and, although things had to be done at the time, we realize that nothing has really changed and that it is still time do something. On the government side they consult, they show goodwill, but action is not forthcoming. Meanwhile, we witness life conditions which are probably among the worst in North America.

These conditions have to be seen. I belong to the category of people who believe in seeing for themselves, and I have visited a number of people from the First Nations. No later than today, I called upon my colleagues on the finance committee to fly or drive to some aboriginal communities to find out, first hand, how these people live today. I do not think I would offend anyone by saying that they live in a Third World economy.

As we can see in the Auditor General's report, tabled yesterday, aboriginal people have very high rates of poverty. In some communities, the unemployment rate is 80 per cent; the suicide rate is sometimes five times higher than the Canadian average. Despair permeates these communities; the education level is much lower than the Canadian average. They are the victims of a paternalistic attitude they have been subject to for a long time. And yes, housing is unfortunately totally inadequate.

I saw with my own eyes four generations living under the same roof. Imagine the promiscuity, the total lack of intimacy. Imagine having to eat every day with twenty people, representing four generations, around the table. These are things you do not see in the Third World; even in Latin America people are better off.

There is a lack of infrastructure and adequate housing. How many communities do not even have sewers? How many communities do not even have running water?

In a modern society, in a country like ours which boasts of a very high standard of living, tolerating Third World living conditions such as these is totally unacceptable.

On top of that, some houses are of a style totally foreign to native culture. In some communities, all the houses are the same, tiny little bungalows. There is no concern for native culture, history or tradition. Across Canada, houses built the same way and often—I will come back to that later—by people who do not even live on the reserve. You can see that the Department of Indian Affairs is not really concerned about native culture and maintaining it but rather is driven by economic factors. So, let us build the cheapest houses possible.

Financing on reserve is difficult. It is a real mess.

• (1800)

There is the Canadian Mortgage and Housing Corporation, and then the Department of Indian Affairs. It is a mess. People do not know who to turn to. For housing construction as well as renovations, waiting lists are a mile long and, in many cases, the agencies pass the buck back and forth.

Also of note is the limited involvement of native people in policy development. My colleague opposite mentioned earlier the significant contribution of native people. Again, as I said earlier, I just left a finance committee meeting, and the First Nations' leader was telling us that he deplored the lack of consultation of First Nations on housing policy. This policy has been in the making since 1984. And let me remind you that I started my remarks by saying that it was time to act. My hon. colleague says that it is time to act, time to consult but, for all practical purposes, the First Nations' leader told us no later than this afternoon that it was not happening.

The reserves derive very little in the way of economic benefits from the various government programs. I do not want to embark on a discussion on the whole thrust and the whole gamut of government programs for native people, but the fact is that very little benefit accrues to the reserves per se from housing–related activities as well as other ones. Services are often provided by outside contractors who, on leaving the reserve, keep Natives in some degree of dependency.

I will translate almost word for word what my hon. colleague said earlier, when he quoted the 1991 report of the Auditor General. I will repeat what he said in French because we are using the same reference. In his 1991 report, the Auditor General said this: "Inadequate and overcrowded housing, among other things, can contribute to social and health problems, such as sickness, marriage breakdown, alcoholism and child abuse. The financial results can be measured in terms of

higher cost of health care, social assistance benefits, policing and penitentiary services".

May I remind you, Mr. Speaker, that the Auditor General said yesterday that all these problems are relevant to society. But they are amplified and emphasized in these communities. It is even worse. Solving the housing problems on reserves could reduce the cost of health services and social assistance by improving social and health standards. What the Auditor General said yesterday about society in general is that the problem is worse on reserves and must be solved soon.

I would also like to extract a few facts from the 1993 report of the Department of Indian Affairs. I still remember the first presentation made by officials from the Department of Indian Affairs to the Committee on Aboriginal Affairs. They told us candidly that the native population was growing by nearly 5 per cent a year, double the Canadian growth rate. They also told us that they knew that there were housing shortages, but unfortunately, funds were lacking and, as I just said, people had to live with three or four generations under one roof in some cases.

In their presentation, they told us that the First Nations had nearly 72,000 housing units, of which 42 per cent did not meet Canadian housing standards and 16 per cent lacked plumbing and sewage facilities. In our society today, not having a sewage system is almost unacceptable. Twenty–nine per cent do not have running water. Who here in this august chamber would imagine that such things could happen? Certainly not in our homes, where we have running water. But 29 per cent of homes on reserves lack running water and 26 per cent have no sewer service. I even meet band councils who tell me: "Mr. Bachand, can you intervene with the minister and try to make him aware of our cause? We have no sewers on our reserve and no running water." I have to do that quite regularly.

Subsidies have not increased since 1984, while the native population has increased 5 per cent a year, creating a big need for housing. So you understand that we now have to tell native people to continue to live with 10, 15 or 20 people under one roof, because the funding is not there and unfortunately their population is growing. So conditions continue to deteriorate and we can come right out and say that living conditions on the reserves are the worst in Canada; as I just said, it is Canada's Third World.

There are solutions. Native lending institutions can be set up, for example; things like that would help. But before that is done, of course, Canada Mortgage and Housing Corporation would finally have to decide with the Department of Indian Affairs who has jurisdiction, because CMHC comes under Public Works.

• (1805)

As I was saying earlier, this was a mess. There should be tighter management control and a single body or department should be in charge.

Mr. Speaker, I will hurry because I realize that I only have one minute left. I would have liked to say more, because these people do not often have the opportunity to make themselves heard through us and they are showing signs of distress.

We mentioned earlier, as did the leader of the First Nations, that the red book has a lot of implications and that it includes a number of commitments. However, no progress was made regarding the housing issue. In fact, the housing policy is still at the conceptual stage. There is not enough discussion with native people.

I simply ask the government to implement as quickly as possible the promises made in the red book. The time has come to take action.

[*English*]

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I rise today to address the House on the motion introduced by the hon. member for The Battlefords—Meadow Lake.

The hon. member has expressed some genuine concern about housing conditions in many First Nations communities. I know my hon. colleague's views are heartfelt and sincere. I commend him for bringing them to the attention of the House. I believe all Canadians share his concern that no group of people in our society should live in substandard housing.

I can assure the hon. member the government is fully aware that there is a serious lack of homes designed especially for seniors on reserve; as well there is a lack of nursing homes for those requiring special care. It is our belief that elders need an integrated housing program that encourages and enables them to stay in their own homes longer.

Health Canada's building healthy communities strategy which was mentioned by the hon. member for Peterborough a few minutes ago will support such a program. By supporting on reserve home nursing care for persons discharged from hospital and those with acute illnesses the strategy will help more First Nations people to continue to live in their reserve homes. The challenge now lies in ensuring that appropriate housing is available.

While I appreciate this special concern for the elderly I think the hon. member would agree that improvements must be made in aboriginal housing for the benefit of all age groups from newborn to seniors. We must keep in mind that the aboriginal population is an overwhelmingly young population. If we do not

focus as well on the needs of youth and young families we will face increasing costs to our social security, health and justice systems while failing to meet vital challenges for First Nations.

I know from conversations with the Minister of Indian Affairs and Northern Development and the minister responsible for the Canada Mortgage and Housing Corporation that they are both very concerned about the state of housing in certain aboriginal communities. The Minister of Indian Affairs and Northern Development has witnessed these conditions firsthand in many of his visits to these communities. This is an experience which has strengthened his resolve to take action.

In a recent speech to the provincial treaty forum on housing in Saskatchewan the minister acknowledged: "Housing is one of the most critical problems facing aboriginal communities today". He went on to say that the conditions he has observed simply should not occur in our country.

I am therefore pleased to confirm that the government is working very hard to finalize a new policy and action plan to tackle the First Nations housing issue. We are doing so with the support of First Nations leaders and with input from a wide range of stakeholders. This action plan will provide a multifaceted approach to addressing the housing needs of First Nations, including the special needs of elders.

The housing crisis is not a new phenomenon. The situation has been worsening year after year for the past decade as the previous governments failed to take action. Make no mistake about it. This government is committed to action on this issue.

The problems are evident enough but the difficulty lies in finding solutions that will be effective, affordable and long lasting. These solutions must also increase First Nations control of the housing portfolio and contribute to the government's objective of building new partnerships with aboriginal people.

As hon. members are aware there are serious concerns about the quality and quantity of on reserve housing. A relatively high percentage of reserve houses require some form of rehabilitation and many must be replaced. This is largely a reflection of the overall poor quality of reserve housing constructed before 1983 when the national building code standards were not enforced.

• (1810)

There is also a serious shortage of on reserve housing. This shortage is becoming more severe each year as more and more First Nations families are formed. This shortage means that houses are overcrowded. In turn this takes its toll on family and community life and can affect the physical and mental health and well–being of family members.

The housing shortage and the poor condition of existing houses are the two key issues that must be addressed. They call for a range of innovative and resourceful approaches.

As the hon. member for Peterborough has informed the House, officials of the Department of Indian Affairs and Northern Development and the Canada Mortgage and Housing Corporation are working closely with the Assembly of First Nations task force on housing and others to develop concrete proposals for a new aboriginal housing policy.

Among the concepts now being explored are a number of creative options that have come directly from First Nations. These proposals will be considered by the government in deliberations on a new aboriginal housing policy. A memorandum to cabinet is being prepared to seek support for such a new policy. Both ministers have instructed their officials that any new housing policy must encompass three key elements.

First, it must improve housing conditions while moving greater control and accountability for housing to First Nations. The Government of Canada believes that community control is critical to the success of future aboriginal housing initiatives. This position is shared by First Nations.

Second, the policy must provide greater employment and business opportunities for aboriginal people. First Nations people must have enhanced opportunities to build better houses for less money with more local supplies. We must also explore new avenues for financing First Nations housing by encouraging private sector investment in the housing portfolio. In the current environment of fiscal restraint and deficit reduction, government alone cannot foot the enormous bill for aboriginal housing.

Third, the policy must promote the development of skills that will facilitate First Nations control of housing and enable aboriginal people to pursue jobs in the housing industry.

A housing policy that achieves all those goals will also lead to improved health and social conditions in aboriginal communities. This in turn will reduce costs to government and will provide for a more equitable society. In other words all Canadians have a stake in improved aboriginal housing.

As hon. members well know, the challenges in developing a new aboriginal housing policy are significant but they are not insurmountable. I am confident, as are the Minister for Indian Affairs and Northern Development and the minister responsible for CMHC, that the co–operative approach now under way offers the best chance for success. By working together with aboriginal people and making decisions that affect them we will arrive at solutions and approaches that can be supported by all Canadians.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, the motion before the House today speaks to the need for more aboriginal housing. It is a real problem. Anyone who has ventured on to an Indian reserve, travelled by one, or has had the occasion to come into contact with aboriginal people knows there is a real problem as far as aboriginal housing is concerned.

As Canadians I am sure all of us would like to see the situation improved. We are not callous and uncaring. We would like to see everybody in our society living in decent housing with the opportunity to maintain what we have come to accept as the Canadian lifestyle.

These are some of the facts surrounding current government spending on aboriginal affairs. The Government of Canada is currently spending some $5.8 billion a year to try and deal with the problems we are talking about this afternoon. Out of that amount, some $300 million is directed toward aboriginal housing. According to the latest reports some 3,500 new units are built and 4,500 units are renovated every year.

• (1815)

The Auditor General says that the spending on DIAND's budget is rising faster than the rate of inflation and the increase in aboriginal population combined. This tells me that the positive results of this funding are dismal to say the least. It is my contention that the results will always be a failure because there will never be enough money available in this budget to address the needs of these people.

In my view the only way these people are going to be able to exist in housing that is acceptable to them and engage in a lifestyle that is acceptable to them and to us as Canadians is for them to become economically independent and be in a position to provide their own housing on the same basis as the rest of us.

While I appreciate that the Indian people find that these existing programs provide some relief, they are surely no happier with the situation than we are, the non–aboriginal people and the taxpayers of Canada.

I ask the question: How can someone feel a sense of self–worth and self–respect when he or she has to go begging to the federal government for money to subsidize housing or a standard of living?

Reserves, in many cases, are located in areas where there is little if any economic opportunity. That is the reality of reserves in Canada today. The people who live on those reserves are relegated to a lifestyle which perpetually looks to the federal government to be subsidized. In many instances these reserves are located in remote areas that are very difficult to access and where there is really no economic activity taking place other than government funding. There is virtually no meaningful employment.

The aboriginal people who have fared the best are the ones who have made the difficult but courageous choice to venture off reserves and become part of the Canadian mainstream.

It is the view of our socialist friends, and we see the evidence of that in such motions as the one before the House today, that the government either has or should have the answers to all of our woes. "If we only had a better program. If we only delivered it more efficiently. If we only earmarked more tax dollars for the program we would achieve our objectives and everybody would be happy. We would achieve a state of nirvana".

After nearly three decades of massive government spending, massive redistribution of wealth from productive people in our society to the have nots, we find that not only has the government not achieved its goals but in every instance has exacerbated the very problem that its programs were designed to correct.

Mr. Milliken: That is complete rubbish.

Mr. Scott (Skeena): Those are the facts.

It is interesting to note that the Auditor General has in his latest report started to echo the sentiments of many brilliant economists, such as my colleague from Capilano—Howe Sound, who have been saying for years that government programs designated to fix problems such as unemployment and welfare by their very nature increase the demand.

I will quote the Auditor General. He says: "There are indications of possible negative effects associated with social programs". He goes on to say: "We note that most if not all social programs have the potential to produce such effects".

Many effects that have been associated with existing programs include rising social program use and high repeated use, suggest that social programs may be creating a long term dependence among some users. Disincentives to work when benefits from social programs are compared to earnings from jobs and interactions among social programs may result in the programs working at cross purposes.

It is therefore obvious that the solution to native housing, the real permanent solution, does not lie with more government spending or more programs, policies or initiatives from government, but rather must come from the aboriginal people themselves through participation in the economy like all other Canadians.

I might add that there are hundreds of thousands of non–aboriginal Canadians who live in poor and sometimes inadequate housing and who desire to move from their basement rental suites and their apartments and live in nicer housing. The reality for these people, a reality they accept, is that they will have to pursue their own dreams and aspirations using their own re-

sources. That is the way it works and that is the way it should work.

• (1820)

In conclusion, I want to return to the thrust of the motion which is to require the government to spend more resources and increase the aboriginal housing program. My response to that motion is that there will never be enough money. If these people are to rely on government programs, there will never be enough programs, there will never be enough general resources and there will never be general satisfaction among the recipients.

The solution is to find ways to encourage and give incentive to aboriginal people to become self–sufficient and part of the Canadian mainstream. I recognize that this is not either an easy thing to say or to accomplish but in the long run, it is the only real hope for aboriginal people living in our country today.

The Deputy Speaker: The Chair should apologize to the Reform Party for not recognizing members of its party earlier in the debate.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am pleased to rise to address the motion put forward by the hon. member for The Battlefords—Meadow Lake.

This is an important issue. The motion concerns on reserve housing. Having grown up in the central part of British Columbia, I have seen the evidence and I have heard the stories of the deplorable living conditions on some of the reserves.

These conditions can justifiably be called shameful in our society, certainly in the times we live in. Canada enjoys a very high standard of living, yet we have people, whether natives or not, living in abject poverty and deplorable housing situations. This is not something of which we can be proud.

The member suggests in his motion that the government should put more money into an improved housing program. The fact is that present fiscal realities simply do not permit the spending of more money to alleviate the problem.

In my opinion the money that the government is spending on native programs, particularly the housing programs and programs to help the social situation of the natives is already there. If only past governments and the present government spent a little more effectively and a little more efficiently, some of these problems could be looked after with the funds that are presently available.

Unfortunately the popular opinion by the Auditor General is that the Department of Indian Affairs is out of control in its spending. The Auditor General said that the government is throwing ever increasing amounts of money at the native people but the programs are ineffective and inefficient.

The report paints a picture of a disorganized Department of Indian Affairs lacking any direction, lacking any clear goals, lacking any monitoring of its existing spending, lacking any accountability of its existing spending. In fact the Auditor General gives the department a complete failing mark for the way it handles the funds that it has allocated to its department. It is totally out of control.

The funds are there within the department. The Department of Indian Affairs has a $5.8 billion budget. The funds are there. They are just not being utilized effectively.

When members of the Reform Party start questioning some of the things that the government does or some of the things that past governments did, members opposite immediately say that the Reform Party does not care about the plight of the Indians. We do. We feel very strongly about the plight of the Indians.

What we care about as well is the taxpayers' money that the past and present governments have spent trying to solve the problems which the Indians have, trying to come up with solutions to improve their social standards, the plight of how they live, the houses that they live in and the deplorable conditions on the reserves.

• (1825)

We do care about that. That is the reason we questioned the way that the department of Indian affairs of this government spends its money. It is out of control and it is not going to improve until this government gets a handle on how the bureaucracy is spending its money, until it starts making demands for accountability, monitoring, evaluation, and results.

One of the popular opinions in this country concerning the department of Indian affairs is that there is no bureaucrat in that department who ever wants to get the problem solved because if they ever solve a problem they will work themselves out of a job. We have a huge department that is overstaffed, overfunded and underproductive.

There is a considerable amount of problems among the governments with respect to the delivery of the housing services. One of the problems is that the federal, provincial and territory governments are all involved in providing housing. A recent committee report by the Standing Committee on Aboriginal Affairs found there was a lack of focus because of these three levels of government that were involved. It was resulting in a patchwork of housing initiatives that really were not solving problems for anyone.

The committee said that there was little or no co–ordination between the three levels of government. The lack of co–ordination is not constrained to governments. It has also been found to be rampant within various departmental programs. For instance, DIAND is not directly involved in housing in the territories. Both Yukon and Northwest Territories have a cost–sharing agreement with CMHC. However, it must be noticed that 50 per

cent of the bands had to make use of CMHC because the funding provided by DIAND was not sufficient.

In order to increase the efficiency of services to bands, some suggested to the committee that the housing programs between DIAND and CMHC be amalgamated. Here we have two government departments asking to be put together to become more efficient. That is not the way the bureaucracy has worked in this country, unfortunately.

In fact, DIAND has no clear statement of federal responsibility with respect to housing for natives living on reserve. Because of this and because of the patchwork of programs among governments, the committee found that the natives living on reserves, which were side by side, could in fact have completely different levels of housing and services.

A very clear message was being delivered to the committee. There are serious problems in the administration of the housing service between various governments and between various government departments.

I conclude by restating what we in the Reform Party believe is the root problem of the deplorable housing conditions that exist on some of the reserves. It is not the fact that they need more money spent. It is not the fact that there is money to be spent because there is not. We have to borrow it on a daily basis to stay alive in this country. The fact is that the money they have, which is adequate, is simply not being used in an effective and efficient manner.

I repeat again, their programs are out of control. Their spending is our of control. There is no monitoring within that department. There is no accountability and quite frankly under this government, we see also there can be no hope for that department to ever get its act together.

[*Translation*]

The Deputy Speaker: Since no one wishes to take the floor, can we call it 6.30 p.m.?

Some hon. members: Agreed.

The Deputy Speaker: The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

GRAIN TRANSPORTATION

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the Crow debate has been with us for some time. It is an important debate that has a great deal of meaning for thousands of prairie farmers. It is a debate that these thousands of farmers want to be a part of. In fact, these farmers have already demonstrated that when asked they are more than prepared to participate in the debate.

For example, when the previous government talked about changing the Crow benefit they hosted hundreds of regional and community meetings across the prairies. These meetings were promoted as transportation talks. They attracted hundreds of participants. In almost every case across Saskatchewan the response of those participants was to ask the federal government to maintain the Crow benefit.

Farmers across the prairies time and time again have impressed upon the federal government that the Crow represents economic fairness in the transportation of grain destined for export. Saskatchewan farmers in particular are producing grain on land that is further from port than any other grain farmers in the world. Since the price of the product is based on its port side distribution, obviously the farther one is from port the more uncompetitive the product is for sale to the rest of the world.

The Crow benefit simply recognizes that with the benefit all Canadians receive from the sale of Canadian grain into overseas markets, all Canadians will assist in the cost of getting that grain to its port of sale. Without the national subsidy, and I would argue it is an internal not an external subsidy, the revenue that would return to the prairies from the sale of grains would be much reduced. The cost of the loss of this transportation support to the prairies is therefore likely to be greater than the savings the Department of Transport and the federal government would accrue from the dismantling of the Crow benefit.

The Minister of Transport has toyed with prairie farmers about this issue for months. Last week be betrayed a long held Liberal commitment to prairie farmers and the communities that they support when he announced that it is no longer a question of whether the federal government plans to change the method of payment, it is only a question of how it will be changed.

In making the announcement the minister argues that new GATT rules and the pending world trade organization requires that Canada make the change. This is shocking. At the same time as the Canadian Minister of Agriculture is abdicating Canada's role in making economic decisions for Canadians, the newspapers are running articles quoting American politicians saying that the GATT cannot be accepted there because (a) the treaty is a threat to its economic sovereignty and (b) the new trade organization will have the power to change its national law or regulation and impose fines and sanctions if it wants to.

Here we are in Canada blindly accepting the international treaty without challenge while one of our trading partners, one I might add which is hurting us in the marketplace, is openly resisting the imposition of the terms and the agreement on them.

Canada should be challenging the interpretation of the GATT deal affecting the Crow benefit and we should be resisting making unilateral changes until all the partners to the agreement have taken steps to ensure that a fair marketplace for all exists.

It is obvious to all of us involved in the grain trade that without the Crow benefit and without specific changes to the U.S. export enhancement program, Canadian farmers are left at a significant disadvantage in the international marketplace. I argue that it is an artificial marketplace.

The federal government should stop using the GATT deal as an excuse to cut the Crow benefit. As my friend Mr. Art Macklin the president of the National Farmer's Union has said: "It is apparent that the federal government's agenda is to cut the deficit and they view the Crow benefit as a large budget item".

Mr. Macklin has also said: "If the federal government really wanted to level with the people of the prairies, it would acknowledge that there does exist ways within the framework of the GATT agreement to retain the Crow benefit as a transportation subsidy".

In conclusion, late last week I asked the Minister of Agriculture if he has failed to understand the importance of the Crow benefit to the economic viability of the prairies or has he just decided to ignore the views of thousands of farmers who have made their views known at various times during the past 10 years? For the record, I ask again.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, this government is now examining how changes can be made to the Western Grain Transportation Act, which enable Canada to meet its international obligation and which result in the greatest possible benefits to prairie farmers and the prairie economy.

There are two compelling reasons we are talking about change. The new world trade agreement under the General Agreement on Tariffs and Trade calls upon countries to reduce export subsidies. Those reductions must occur both in expenditures and volumes exported. The western grain transportation subsidy on shipments to west coast ports and Churchill is considered an export subsidy under the terms of the agreement.

Legislation which will enable Canada to implement the terms of the GATT was tabled in the House recently. The uncertainty that would result in the grain industry were we not to reform the WGTA in response to the new world trade agreement would be untenable. The WGTA must be reformed before there is any threat of the volume limits on export subsidies being exceeded.

The second compelling reason for change is exactly the concern expressed in the member's question. That is the viability of the prairie economy. It has long been argued that the current method of payment discourages high value production and processing in western Canada. The world is changing. The new world trade deal has opened new opportunities for Canadian products and specifically for higher valued consumer oriented products. We must ensure that our industry is equipped to compete and gain its share of these rapidly expanding world markets.

As the government considers the best means for reforming the WGTA the fiscal circumstances of the government cannot be ignored. Agriculture will, along with other departments of government, have to bear its fair share of the effort to put our fiscal house in order.

As we consider reform the views of farmers across Canada are being taken into account. Far from ignoring the views of farmers we are asking them very specific questions on how a new payment method for the WGTA might be designed.

The Minister of Agriculture and Agri–Food has had meetings with representatives of the major farm organizations and commodity groups from eastern and western Canada. They are being asked for their views on the two specific options that have recently come forward from the producer payment panel and from the governments of Saskatchewan and Alberta. At the same time consultations have been undertaken by the Minister of Transport on efficiency issues.

The end result will be reform for the grain transportation system that will meet our fiscal responsibilities and our international trading obligations. We also want to ensure that our Canadian farmers come out on the winning end of the issue.

The Deputy Speaker: Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.38 p.m.)

HOUSE OF COMMONS

Thursday, November 24, 1994

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF NATURAL RESOURCES ACT

The House resumed from November 23 consideration of the motion that Bill C–48, an act to establish the Department of Natural Resources and to amend related acts, be read the third time and passed.

The Speaker: Pursuant to Standing Order 45(5)(a) the House will now proceed to the taking of the deferred division on the motion at third reading stage of Bill C–48, an act to establish the Department of Natural Resources and to amend related acts.

Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 117*)

YEAS

Members

Abbott
Allmand
Arseneault
Baker
Barnes
Bertrand
Bhaduria
Bodnar
Bridgman
Brown (Oakville—Milton)
Caccia
Campbell
Catterall
Chan
Chrétien (Saint–Maurice)
Collins
Cowling
Culbert
de Jong
Dhaliwal
Duhamel
Easter
English
Finestone
Flis
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Godfrey
Graham
Grose
Adams
Anderson
Assadourian
Bakopanos
Berger
Bethel
Blondin–Andrew
Boudria
Brown (Calgary Southeast)
Brushett
Calder
Cannis
Chamberlain
Chatters
Clancy
Copps
Crawford
Cummins
DeVillers
Discepola
Dupuy
Eggleton
Epp
Finlay
Fontana
Gagliano
Gallaway
Gilmour
Goodale
Grey (Beaver River)
Grubel
Guarnieri
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hickey
Hoeppner
Hubbard
Irwin
Keyes
Kirkby
Kraft Sloan
Lincoln
MacAulay
MacLaren (Etobicoke North)
Malhi
Marchi
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Morrison
Nault
O'Brien
Ouellet
Parrish
Peters
Ramsay
Regan
Rideout
Robichaud
Rompkey
Serré
Skoke
Solomon
Speller
Stewart (Northumberland)
Strahl
Taylor
Terrana
Thompson
Torsney
Valeri
Walker
Wells
White (North Vancouver)
Zed—159
Hanger
Harb
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Macleod)
Hopkins
Ianno
Jackson
Kilger (Stormont—Dundas)
Knutson
Lee
Loney
MacDonald
MacLellan (Cape/Cap Breton—The Sydneys)
Manley
Marleau
McClelland (Edmonton Southwest)
McKinnon
McTeague
Meredith
Milliken
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Penson
Phinney
Reed
Richardson
Ringuette–Maltais
Rock
Schmidt
Shepherd
Solberg
Speaker
St. Denis
Stinson
Szabo
Telegdi
Thalheimer
Tobin
Ur
Vanclief
Wappel
Whelan
Young

NAYS

Members

Bachand
Bergeron
Bouchard
Canuel
Chrétien (Frontenac)
Daviault
Deshaies
Dumas
Gagnon (Québec)
Godin
Guimond
Bellehumeur
Bernier (Gaspé)
Bélisle
Caron
Dalphond–Guiral
Debien
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob

Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Leblanc (Longueuil)
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Marchand	Mercier
Ménard	Nunez
Paré	Pomerleau
Rocheleau	Sauvageau
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne—43	

PAIRED—MEMBERS

Members

Asselin	Axworthy (Winnipeg South Centre)
Cauchon	Crête
Dingwall	Dubé
Gray (Windsor West)	LeBlanc (Cape/Cap Breton Highlands—Canso)
Lebel	Minna
Patry	Picard (Drummond)
Flamondon	Scott (Fredericton—York—Sunbury)
St-Laurent	de Savoye

• (1035)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Bill read the third time and passed.)

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

COMMITTEES OF THE HOUSE

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Environment and Sustainable Development dealing with Bill C–56, an Act to amend the Canadian Environmental Assessment Act, reported with amendments.

* * *

[*English*]

INCOME TAX ACT

Hon. David Anderson (for the Minister of Finance) moved for leave to introduce Bill C–59, an act to amend the Income Tax Act and the income tax application rules.

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

* * *

GRANDPARENT YEAR ACT

Mr. Julian Reed (Halton—Peel, Lib.) moved for leave to introduce Bill C–291, an act respecting a national year of the grandparent.

He said: Madam Speaker, the bill is designed to declare the year 1995 as the year of the grandparent to celebrate the value of grandparents in the Canadian family. Many of us who have had the privilege of having grandparents realize the pillars they are to children and grandchildren growing up.

We also realize that grandparents experience some difficulties in modern day life. They concern access to grandchildren when a divorce occurs and so on. It seems to me that 1995 could be correctly utilized as the year to raise the consciousness of all of us on the value they provide to the Canadian family.

• (1040)

I am honoured to present the bill to the House. I certainly hope it meets with some success in subsequent proceedings.

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

* * *

COMMITTEES OF THE HOUSE

FINANCE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, there have been discussions among the parties and I think you would find unanimous consent for the following motion. I move:

That the Standing Committee on Finance be authorized to travel to Toronto on November 28 and 29, 1994, during its consideration of matters set forth in Standing Order 83(1);

That, on Monday, November 28, 1994 and, if necessary, on Wednesday, November 30, 1994, the business to be taken up under Government Orders shall be the following motion:

That this House take note of the opinions expressed by Canadians on the budget policy of the government and, notwithstanding the provisions of Standing Order 83(1), authorize the Standing Committee on Finance to make a report or reports thereon no later than December 7, 1994.

And; that no later than the time of completion of consideration of Government Orders on November 30, 1994, every question necessary for the disposal of the said motion shall be put, forthwith and successively, without further debate or amendment.

(Motion agreed to.)

PRIVATE MEMBERS' BUSINESS

MOTION NO. 107

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I think you would find unanimous consent of the House for the withdrawal of Item No. 16 listed on today's Order Paper under Private Members' Business, being the motion of Mr. Gauthier, now Senator Gauthier, who has left the House.

I think you would find consent to strike it from the order of precedence.

(Motion agreed to.)

* * *

PETITIONS

GUN CONTROL

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, pursuant to Standing Order 36 I rise today to present a petition from constituents of Okanagan—Similkameen—Merritt. To date I have presented 898 signatures to a petition regarding further legislation on gun control.

There are legitimate reasons for people to own guns, including hunting, collecting and target shooting. Some people have actually distinguished themselves in Canada for their expertise in this particular area.

The petitioners are asking the Government of Canada to get tough on criminals and not to get tougher on law-abiding gun owners. Therefore they oppose any further legislation for firearms acquisition and possession. They call on the government to provide strict guidelines and mandatory sentencing for the use or possession of a firearm in the commission of a crime, and I agree with the petitioners.

• (1045)

[*Translation*]

EMPLOYMENT CENTRES

Mr. Nic Leblanc (Longueuil, BQ): Madam Speaker, I have the honour to table a petition signed by hundreds of residents from my riding of Longueuil. The petitioners disagree with the new training standards used by Canada Employment Centres and ask the Parliament to revise them and make sure they remain the way they were.

We disagree strongly with the new standards which impose: an increase in compulsory attendance at training from 24 to 30 hours; a reduction of credits given per training course from 25 to 22 hours; a reduction in the number of days you can miss from one and a quarter days to one day per five weeks; and the loss of school or school-related activities which were useful to relieve boredom and facilitate the adjustment to student and family life.

[*English*]

VIOLENCE IN THE MEDIA

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Madam Speaker, this petition is about unnecessary violence and abuse on radio, television and in other forms of the media.

These petitioners have great concerns as to the impact on the Canadian population of abuse and violence in the media. They request that the CRTC regulate all forms of unnecessary abuse and violence. Parents point out that often what occurs there is counterproductive to what they are trying to do in raising their families. They point out that there have been some advances made and the CRTC is to be commended for some of the steps it has taken.

[*Translation*]

Not only do they want this to go on, they want more progress. They believe it is necessary for their children.

[*English*]

DRUG PATENT LEGISLATION

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I am pleased to stand in the House today, pursuant to Standing Order 36, to present a petition on behalf of constituents from Regina—Lumsden. This petition is signed as well by people from Saskatoon, Balcarres, Watrous, Esterhazy, Langenburg, Churchbridge, Carnduff, Kisbey and Carievale in Saskatchewan.

The passage of the drug patent legislation Bill C-91 has caused undue hardship on the consumers of prescription drugs, the sick and the elderly. Since this bill was passed the cost of prescription drugs has increased over 100 per cent, at the rate of 12 per cent per year since 1987. The petitioners are calling upon the government which in opposition supported the repeal of Bill C-91 to repeal the drug patent legislation now that it is in government.

Bill C-91 is creating a great deal of hardship not only on individual users of prescription drugs, but on health care plans and governments across the country. Health care plans spend about 17 per cent of their money on prescription drugs and hospitals.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, Question No. 80 will be answered today.

[*Text*]

Question No. 80—**Mr. Williams:**

What is the number of charges that were laid under section 85 of the Criminal Code in 1991, 1992 and 1993 that were subsequently withdrawn without prosecution?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): The exact numbers of charges laid or withdrawn in any specific year are not available because the statistical information is not compiled on a Canada–wide basis. The Minister of Justice has asked for a survey and study of the application of section 85. These will examine the frequency with which the section 85 offence is charged, as well as the disposition of those charges. When completed, this information will be released by the minister.

[*English*]

The Acting Speaker (Mrs. Maheu): The question as enumerated by the hon. parliamentary secretary has been answered.

Mr. Milliken: I would ask that all remaining questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House proceeded to the consideration of Bill C–57, an act to implement the agreement establishing the World Trade Organization, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): We have a ruling on Bill C–57, an act to implement the agreement establishing the World Trade Organization.

There are 10 motions in amendment standing on the notice paper for the report stage of Bill C–57, an act to implement the agreement establishing the World Trade Organization.

[*Translation*]

Motions Nos. 1, 2, 6 and 7 will be grouped for debate but voted on separately.

• (1050)

[*English*]

Motion No. 3 will be debated and voted on separately. Motions Nos. 4 and 5 will be grouped for debate but voted on separately.

[*Translation*]

Motions Nos. 8, 9 and 10 will be debated and voted on separately.

[*English*]

I shall now propose Motions Nos. 1, 2, 6 and 7 to the House.

[*Translation*]

MOTIONS IN AMENDMENT

Mrs. Maud Debien (Laval East, BQ) moved:

Motion No. 1

That Bill C–57 be amended by adding after line 11, on page 3, the following new Clauses:

"3.1 The Minister of International Trade shall establish a process for consultation with the provinces regarding

(a) implementation of the Agreement wherever implementation relates to a matter within provincial legislative jurisdiction; and

(b) any matter relating to trade dispute resolution under the Agreement;

(c) any economic matter of major international significance.

3.2 Notwithstanding any provision in this Act or in the Agreement, the Governor in Council or the Minister shall not, without prior agreement of the provinces,

(a) authorize any change to the Agreement in respect of allocation mechanisms for tariff quotas;

(b) establish or implement policies for selecting trade partners to receive access to the Canadian market.

3.3 In respect of subsidized exports, the Minister shall, in implementing the commitments made by Canada under the Agreement in respect of prices and quantities, have regard at all times to actions taken in the relevant areas by foreign competitors.

3.4 In respect of agricultural products imported beyond established tariff quotas at a time of shortage of such product in domestic markets, the Minister shall take such measures as may be required from time to time, including imposition of tariffs, to ensure that such products are not imported at prices lower than those prevailing for the same products in the domestic markets."

Mr. Nic Leblanc (Longueuil, BQ) moved:

Motion No. 2

That Bill C–57 be amended by adding after line 11, on page 3, the following new Clause:

"3.1 Notwithstanding any provision of this Act or the Agreement, the Minister of International Trade shall each year lay before the House of Commons a report taking into account the priorities identified by the committee of the House of Commons that normally considers matters relating to external affairs concerning

(a) implementation of the Agreement in Canada;

(b) the trade obligations and commitments undertaken by Canada at the international level by the trading partners of major importance to Canada, especially the United States; and

(c) the impact of the Agreement on Canadian workers and companies."

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 6

That Bill C–57, in Clause 13, be amended by adding after line 29, on page 5, the following:

"(2.1) The Minister shall consult with the appropriate House committee before any vote is taken by the Ministerial Conference or the General Council authorizing or approving any one or more of the following actions by WTO:

(a) the adoption of an interpretation of the Agreement or any other multilateral trade agreement to which Canada is a party;

(b) the amendment of the Agreement or any other multilateral trade agreement to which Canada is a party;

(c) the granting of a waiver of any obligation under the Agreement or any other multilateral trade agreement to which Canada is a party;

(d) the adoption of any amendment to the rules or procedures of the Ministerial Conference or the General Council;

(e) the accession of a state or separate customs territory to the Agreement; or

(f) the adoption of any other decision if the WTO action described in paragraphs (a), (b), (c), (d), (e) or (f) would substantially affect the rights or obligations of Canada under the Agreement or any other multilateral trade agreement or would require a change of any law of Canada or of any province or territory in Canada.

(2.2) Not later than 30 days after the end of any calendar year in which the Ministerial Conference or the General Council authorizes or approves any WTO action described in subsection (2.1), the Minister shall submit a report to the appropriate House committee setting out

(a) the nature of the WTO action;

(b) the efforts made by the Minister to have the matter decided by consensus in accordance with paragraph (1) of Article IX of the Agreement and the results of those efforts;

(c) which WTO Members voted for and which voted against the WTO action;

(d) the rights or obligations of Canada that are affected by the WTO action and any law of Canada or of any province or territory in Canada that must be amended or repealed, for purposes of conforming with the WTO action; and

(e) the measures, if any, that the Minister intends to take in response to WTO action and if the Minister does not intend to take any measures, the reasons therefor.

(2.3) Where the World Trade Organization grants a waiver as described in paragraph (2.1)(c), the report under subsection (2.2) shall also describe the terms and conditions of the waiver and the rights and obligations of Canada that are affected by the waiver.

(2.4) Where the World Trade Organization approves an accession of a state or separate customs territory to the Agreement, the report under subsection (2.2) shall state whether Canada intends to invoke Article XIII of the Agreement.

(2.5) Promptly after submission of a report under subsection (2.2), the Minister shall consult with the appropriate House committee with respect to the report."

Motion No. 7

That Bill C–57, be amended by adding after line 36, on page 5, the following new Clause:

"13.1 The Minister shall, twice in each calendar year after the proclamation of this Act, report to Parliament on any negotiations that take place under Article III(2) of the Agreement, including negotiations that pertain to the labour, social and environmental dimensions of the multilateral trade relations of member states.

• (1055)

[*Translation*]

Mr. Bergeron: Madam Speaker, I rise on a point of order.

The Acting Speaker (Mrs. Maheu): The member for Verchères, on a point of order.

Mr. Bergeron: Madam Speaker, I would like to bring to your attention that I do not see a quorum in the House.

And the count having been taken:

The Acting Speaker (Mrs. Maheu): We now have a quorum.

The hon. member for Laval East.

Mrs. Maud Debien (Laval East, BQ): I rise today to speak on the bill to implement the Agreement Establishing the World Trade Organization. I wish to deal more precisely with the amendment presented by the Official Opposition, which is aimed at adding new clauses, namely clauses 3.1, 3.2, 3.3 and 3.4, on page 3 of Bill C–57.

First, clause 3.1 proposes to establish a process for consultation with the provinces regarding three specific issues. It is important for us that the Canadian government establish, before the agreement comes into force, such a federal–provincial mechanism to implement the agreement. This is the first issue about which provinces should be consulted wherever the implementation of the agreement relates to a matter within provincial legislative jurisdiction. For example, the federal government should be obliged to consult the provinces on matters relating to copyright, agriculture, environment and labour. Sovereignists are not the only ones demanding such measures.

• (1100)

Since 1988, the provinces have demanded to be consulted in connection with the Uruguay Round trade negotiations. If we take a close look at what is happening next door in the United States, we see that such measures have already been introduced. In the Statement of Administrative Actions, the U.S. government statement on the implementation of the GATT agreement, it says, and I quote: "these consultations", and this refers to consultations with the American States, "will begin immediately upon enactment of the implementing bill".

In the bill now before Congress in the United States, there is one specific section on the consultation process between the U.S. federal government and the States. Section 102 of the bill, part B, under the heading: "The relationship of the agreement to United States law and state law", explains how consultations between the States and the central government are to proceed. If the Canadian government refuses to support the Official Opposition on amendment 3.1, this would mean that my federal colleagues have an even more centralist vision than the U.S. government and that they consider the provinces to have less power than the American States.

If that should be the case, members who vote against our amendment will have to tell the Prime Minister of Canada to keep quiet, when he says Canada is the most decentralized country in the world. A federal government that would refuse to undertake to consult the provinces on matters over which they have jurisdiction is centralist in the extreme.

The second point on which we believe consultation with the provinces is important is dispute resolution under the agreement. Without this amendment, Bill C–57 puts absolutely no obligation on the federal government to consult the provinces, even when the disputes affect them directly. In recent disputes about magnesium, softwood lumber and beer, to name only a few, the federal government was under no obligation to consult the provinces. This amendment is therefore essential if we are to respect the jurisdictions of the provinces.

In their bill, the Americans also provide that the federal government shall consult the States when trade disputes are reported to the World Trade Organization. Clause 102, Part C, paragraph iii), clearly states that every state of the union should be actively involved at every stage of consultation and at each subsequent stage of any trade dispute resolution process.

Third, we want the provinces to be consulted on major economic issues. Clause 145(4) of Bill C–57 states that the territory of Canada may be divided into two or more regional markets. This entails developing specifically regional or provincial policies, hence the need for a consultative mechanism between the two levels of government, to harmonize our policies in view of our international commitments.

Major international fields may have a substantial impact on Canada. Take the monetary policy, employment development or loans to developing countries for example. The provinces are greatly affected by what happens in these areas. For all these reasons, the government must consult them.

Let us now move on to paragraph 3.2. This Bloc Quebecois proposal is to ensure that the Governor in Council and the Minister of International Trade will obtain prior agreement of the provinces before taking one or the other of the following actions.

First, the federal government would not be allowed to change allocation mechanisms for tariff quotas without prior agreement of the provinces. We all know that, as a result of the Uruguay Round, import quotas on dairy products, poultry and eggs were eliminated.

Import quotas were replaced with tariff quotas, which will make the quantity that can be imported increase slightly. What the agreement entitles us to do is to allow a specific volume of imported goods tariff–free in accordance with tariff quotas and to jack up the tariff on the rest.

• (1105)

Bill C–57, however, provides that the minister has discretionary power to decide who can import these products within tariff quotas. In order to avoid log rolling or an apparent conflict of interest on the part of the government, we propose that this decision be made jointly by the minister and the provinces.

The second type of action requiring provincial consent has to do with the agreements negotiated with some trade partners to give them guaranteed access to part of the Canadian market.

While the government is committed to opening up our economic borders under trade liberalization agreements, a new protectionist trend is emerging. Canada is currently negotiating quasi–formal agreements with some countries, which would receive special access to Canadian markets in return for guaranteed access to their markets for some Canadian products. For example, Canada could promise a country that it will buy a certain quantity of their butter during the next year in return for their commitment to buy a certain quantity of Canadian beef in the next 12 months.

Such agreements could have considerable regional impact in Canada. The production of certain goods is often concentrated in a single region. A good agreement for all of Canada could have a disastrous effect in one province in particular. It is therefore imperative that the provinces have their say on this.

Let us move on to Clause 3.3. The Bloc Quebecois proposes that, in respect of subsidized exports, the federal government be very vigilant and have regard at all times to actions taken in the relevant areas by foreign competitors. The GATT agreement provides that export subsidies should be reduced by 36 per cent over a six–year period. In addition, the volume of subsidized exports is also to be cut by 21 per cent.

Canada—that is why we are proposing this amendment—must ensure that its trade partners periodically reduce their subsidies to the products covered by these regulations.

This amendment is especially important since these regulations already favour both the EEC and the United States. Because American and European exports are already more heavily subsidized, reducing the current subsidy rate will main-

tain their export subsidies at higher levels than ours. The poorest countries on earth will be hit even harder than us by these measures, since they often do not subsidize their exports.

This measure threatens the access of developing countries to our markets. We should at least make sure that the wealthiest trade partners honour their commitment to lower the level and volume of their subsidies, in order not to reduce even further our competitiveness on international markets.

Furthermore, under section 424 of the Uruguay Round Agreement Act in the United States, the U.S. government will require the President to submit a report to Congress in which Canada's actions will be reported in order to see whether Canada is complying with the Uruguay Round and NAFTA commitments concerning dairy and poultry products. Why would Canada refuse for its part to anticipate what might happen?

Fourth and last, we propose adding to clause 3.4 guarantees so that the minister can ensure that the discretionary tariffs he establishes in case of shortages for some agricultural products set the price no lower than the Canadian market price. This is an important addition because it seeks to prevent importers from claiming a false shortage if they know that the minister will impose tariffs that are low enough to let them sell their imported products at a lower price than Canadian producers.

In conclusion, I would like to return to the spirit of clauses 3.1 and 3.2 and repeat that the amendments proposed by the Bloc Quebecois are not simply an expression of Quebec sovereignist rhetoric. We want every Canadian province to be consulted by the federal government. We are just demanding the same kind of measure that the United States is about to vote on.

Canadian parliamentarians today have an opportunity to show that Canada is a flexible country. That is how the amendment now being debated should be seen.

• (1110)

Mr. Nic Leblanc (Longueuil, BQ): Madam Speaker, I am pleased to rise today to discuss Motion No. 2, which I would like to read again for the benefit of our listeners:

"3.1 Notwithstanding any provision of this Act or the Agreement, the Minister of International Trade shall each year lay before the House of Commons a report taking into account the priorities identified by the committee of the House of Commons that normally considers matters relating to external affairs concerning"

We are referring here to the Standing Committee on Foreign Affairs and International Trade.

"(a) implementation of the Agreement in Canada;

(b) the trade obligations and commitments undertaken at the international level by the trading partners of major importance to Canada, especially the United States; and

(c) the impact of the Agreement on Canadian workers and companies".

The motion aims at simplifying and facilitating the process for those who would like to address complaints, comments or recommendations to the government. It will allow them to go to a specific body and place where they will get proper attention.

It has often been noted in the past that, when people make representations to their member of Parliament, to ministers or to senior civil servants, these officials do not follow up on the recommendations made to them.

I believe it is very important to have a place where people can make claims and complaints if, for example, their rights have been violated as regards imports, or if changes could result in problems for some industries or for employment.

We think that the responsible committee of the House of Commons could be a permanent forum which would listen to all those who have complaints, so that appropriate recommendations can be made to the minister, followed by the required adjustments.

It is very important that Canadians can have access to a standing committee of the House and that this committee be made known to the public. Indeed, those who wish to complain have to know that the Standing Committee on Foreign Affairs and International Trade is responsible for receiving their recommendations and complaints so that we can adjust as fast as possible to major changes in the world.

In 1985, I had the privilege to sit on the committee chaired by Mr. Hnatyshyn, the current Governor General, that was reviewing the reform of Parliament and Parliamentary institutions. At that time, we asked Mr. McGrath to undertake an in–depth study on the role of Parliament. In 1985, he stated in his report: "On the eve of international free trade in the economic arena, Canada must have the parliamentary structures needed to become increasingly competitive at the national and international level".

• (1115)

Parliamentarians have been examining this issue for some time now. In 1985, Gulf Canada carried out quite a detailed study on the relationship between Parliament and big corporations as well as the population as a whole. I have made copies of the Gulf Canada report, but among other things, business people stressed the need to know their MPs well. So, businesses and groups tell their representatives that it is rather important that they maintain a good relationship with the members of Parliament who represent them.

People approach their MPs, but often the poor guy does not even know how to reach the right person to ensure that things are progressing well. This is a very unstructured way of doing things, which prevents us, first, from understanding our constit-

uents' needs and working on them and, second, from solving problems quickly. This is an important concern.

This 1985 Gulf Canada report also says that, with time, more and more citizens are trying to make themselves heard by the government. This is nothing new. It has always been difficult for citizens, businesses and groups to know to whom they should address their complaints to get their problems solved. That is why this motion provides for the Committee on External Affairs and International Trade to act as a forum, pursuant to Bill C–57 concerning the new World Trade Organization, to receive those complaints and to make the necessary recommendations to the minister so that he can respond quickly.

Opening international trade will bring about very important changes. Surely, in some industries, it will directly affect employment and businesses. Some adjustments should be made swiftly.

No structure was put in place to hear the claims of businesses, individuals and groups. We think, as this motion says, that the Committee on External Affairs of the House of Commons could and should be the place to deal with these claims so that we can adjust as quickly as possible to the important changes and economic disruption expected in the years to come.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, the purpose of the amendments brought forward by New Democrats today is to commit the government to reporting to Parliament regularly on its activities in the World Trade Organization and especially on the progress toward the development of a social clause to the WTO. In this way we can keep the momentum going for a social clause by ensuring that the public spotlight is kept on the government's policy on this important issue.

A social clause is needed so that the WTO can address not only classic trade disputes between nations but also the problem of what has become known as social dumping, that is a nation's competitive advantage that results from unregulated labour markets and lack of environmental protection regulations.

During the Marrakech conference where the Uruguay round of the GATT negotiations drew to a close, expectations were high that the final text of the agreement would include a social clause.

• (1120)

Although the Americans and the French were pushing hard for one, nothing came of those negotiations. The Minister for International Trade was quoted in the press at the time as saying that he was lukewarm to the idea.

The purpose of the amendment is to get a categorical commitment from the government to be actively involved in the development of a social clause in the WTO agreement.

The idea of a social clause is one which enjoys wide support around the world as a necessary counterweight to the liberalization of investment. As a constitution for the new world order of the global marketplace, the WTO agreement as it stands is remarkably one sided in its defence of the rights of investors and silent on the rights of workers. It pretends that labour, social security and the environment are not trade issues.

It is eloquent about the multinationals' right to intellectual property and to the free movement of capital but says nothing about the workers' rights to form trade unions or to have a safe workplace. It speaks loudly about level playing fields but is silent about the most important playing field of all, the one between the employer and the employee.

A social clause is needed to strike a balance between the market efficiencies of liberal trade and investment practices and the social solidarity of all communities that want basic human rights and decent employment practices enforced everywhere where capital is free to come and go.

The multinationals can and do now operate outside the regulatory reach of individual states. We must in partnership with our trading partners establish some way of restoring the abilities of communities to set the ground rules for the marketplace. An unregulated global market effectively allows the multinationals to hold an auction to see which countries will bid the cheapest and least regulated labour and the most lax environmental standards in order to get their investment.

If we do not establish some basic rules about the labour markets and environmental protection, globalization will certainly remain what many observers have called a race to the bottom.

This is the view of the International Labour Organization secretariat which earlier this month recommended to the governing body of the ILO that there should be a social clause to the WTO. This is also the view of the joint committee that recently reviewed Canada's foreign policy. Its report included a recommendation that there should be a co–ordination of international labour and social standards.

I look forward to hearing the views of the members of the committee who can support this amendment as a way of putting their recommendation into action.

During the recent visit of Team Canada to China and the Prime Minister's attendance at the APEC conference in Indonesia, the Prime Minister claimed that the best way to address the problem of human rights abuses in China, Indonesia and elsewhere was to engage in trade to open up these societies. There is nothing in the WTO that prevents countries from joining the WTO, trading with member states and continuing to abuse human rights,

denying workers the right to join independent unions, or allowing child labour.

Support for a social clause which would link trade benefits to basic human and social rights is the only way for us to begin a true commitment to using trade as a way of improving human rights situations in many countries. Without such a clause, the WTO legislates a turkey shoot where the multinationals and their allies in some developing countries can exploit the most vulnerable.

Support for a social clause is the obvious response to globalization by anyone who is not hypnotized by the neo–Liberal rhetoric that the development of world markets unfettered by democratic control is the inevitable and unstoppable result of new technology.

The new technologies in telecommunications and in information technology certainly make it possible for capital to move instantly around the globe or for technologies to be transferred between states very easily. It does not mean that it is necessary for us to let the elites in the multinationals use that technology without any obligations to the communities where they operate.

Globalization as it is now occurring with multinationals glorying in their freedom from democratic responsibility is not an impersonal force of technological innovation. It results from the deliberate choice of governments to liberalize trade and investment policies, to hand over to the multinationals a carte blanche to design a world order that suits their wants and interests. We should not let the free market rhetoric blind us to the fact that we can choose to win back some measure of our ability to impose some community standards on the trade and investment practices of the multinationals.

• (1125)

The idea of a social clause to the World Trade Organization has been opposed by some governments of developing countries as a baldly protectionist measure to deprive developing countries of their competitive advantage in low labour costs and general lack of regulation.

If it is protectionist to protect children from exploitation as virtual slaves, to protect workers who do not enjoy the basic human rights of forming unions or having a safe place to work or to protect the environment from rapacious multinationals then we have no embarrassment in saying that we are protectionists. We have to resist the way that the rhetoric of free trade has perverted the word protection so that any public intervention to protect any public good whatsoever is deemed to be a threat to prosperity.

A social clause to the WTO however would not even fall under the conventional definition of protectionism as regulations that unfairly restrict the legitimate economic opportunities of another country. The proposals that have been made by supporters of a social clause, like the ILO, France and the United States, simply call for a set of minimum standards of the rights of workers to form unions. The effect of such a clause would not only be to respect the rights of workers around the world but also to bring economic benefit to the entire world economy.

It is astounding that advocates of market liberalization trumpet the growth that supposedly results from open world markets during a time when liberalization has led in the developed countries to chronic high unemployment and falling income for workers.

The introduction of a social clause would be an important step forward in raising global demand, thereby stimulating investment and consumption. The advocates of the liberalization of world markets assumes that as developing countries become more prosperous internal social pressures are generated from a maturing and self–confident workplace to insist on higher wages and better working conditions as happened in the industrialized countries.

This assumption fails to recognize that the vast pool of unemployed workers in rural sectors in the economies of east and south Asia for example creates a huge drag on the ability of wages to rise at a reasonable level. Moreover it ignores the fact that workers in many developing countries do not enjoy the basic democratic right to form unions that would allow them to improve their condition. An essential ingredient to raising global demand is therefore to intervene in the world labour markets and to let natural economic forces raise wages. We can thus begin a process of transforming globalization from a race to the bottom into an upward spiral in the living standards of all people around the world.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, it is a pleasure to rise to discuss the amendment to Bill C–57 proposed by the hon. member for Laval Est. I respect the hon. member's dedication to federalism and the learning and thoughtfulness that she brings to this task.

Allow me to make a general comment in starting that it is necessary in approaching the matters of amendments to substantive bills to exercise a prudent economy in drafting and at all times to consider criteria of relevance so that the main purpose and thrust of the bill be not deflected.

The opening paragraph of amendment 3.1(a) is one that is of course very dear to the heart of the present government. The Prime Minister of Canada has led a very successful delegation to China with the full co–operation and presence of nine of the ten provincial premiers.

• (1130)

The intention of the government is to proceed in full vigour with ideas of co–operative federalism as developed by Prime Minister Lester Pearson and carried on by his successors. We want to work with the provinces because we recognize that the

common problems of the world community entering the 21st century require a co–operative path in Canada of all the players.

We recognize a certain ambiguity in 3.1(a) but we have no particular problems with that. I simply mention that what is within provincial jurisdiction is by no means clear. There are no watertight compartments. The Canadian rule under the Labour Conventions decision of 1937, much criticized incidentally, is followed by no federal state other than Germany.

In general, the view in federalism is that once an international agreement is entered into the legislative power to implement the agreement follows. That is not the Canadian position. I would stress that all Canadian governments, particularly the present one, have been very respectful of provincial interests and very anxious to ensure co–operation.

Some of the suggestions here seem to go well beyond the scope of an amendment and what good federalism requires or even sensibly suggests. Is it suggested, for example—I looked to see if there was any ambiguity as between the French and English texts—that the issue of trade dispute resolution, the machinery and processes, to which both the French and the English texts of article 3.1(b) are directed is a matter that should be discussed—now that the agreement is there—between federal and provincial governments?

It is a well known Canadian position that we support compulsory third party settlement of disputes. We have constantly raised the necessity for implementing the jurisdiction of the international court as final arbiter. Our problem with many international agreements, including NAFTA, is that this is not something with which the United States is happy. The solution for the United States is to understand the World Court better and to learn to adjust its claims better to the processes of decision making there.

On these issues, Canada obviously will continue to study the matter and continue to raise new issues of dispute resolution. I wonder at this stage what is useful in retaining this as another matter for extended federal–provincial discussion. You could drive a Sherman tank through the proposition "any economic matter of major international significance". I wonder whether it sensibly belongs in an amendment.

It seems to me that what the hon. member for Laval East is proposing reaches other areas of continuing concern for the government of federal–provincial relations including federal–provincial economic relations. The Constitution is not a static institution even though the amending powers may not work. There are enormous possibilities for creative adaptation of machinery by custom and convention.

I would have thought these matters were probably better addressed through another arena and perhaps another minister. The Minister of Intergovernmental Affairs is concerned with studying the issue of continuing federal–provincial economic consultation and co–operation.

I wonder whether 3.1(c) is a useful amendment to Bill C–57. I look at 3.2 and 3.4 and wonder again. Article 3.4 opens a Pandora's box. In essence you are getting into asking the minister to take measures that may run in direct conflict with the international agreements. In any case it is not a matter to be reached by indirection in the interstices of what purports to be an amendment. I would suggest again some prudent economy there.

Mr. Solomon: What's wrong with giving in?

• (1135)

Mr. McWhinney: I hope the hon. member is listening to the debate. Good. The truth will make you free. It is an important point to remember.

Let us come back to this again. I heard so much tired ideology, 19th century ideas, on trade and commerce that take no account of the fact that we are into the 21st century, that I deliberately eliminated the amendment of the hon. member opposite from my discussion. I am referring instead to the member for Laval East because there are matters of federalism that are of special concern to the government, and we are with them in trying to improve the mechanisms.

My suggestion is to cut down the scope of this amendment and direct it generally to the issue of federal–provincial jurisdictional matters. You will find a continuing governmental concern with attending to that. It may well be the time has come to re–examine the Labour Conventions decision. That is not a matter the government would approach unilaterally. It is a matter on which we can make subtle arrangements, much as the German federation did, and we will do so also.

On the other matters, you have gone beyond the scope of an amendment directed to federal matters. You are really directing attention to the need for some improved federal–provincial economic consultative mechanism. That is well within the mandate of the Minister of Intergovernmental Affairs. In fact we know it is part of the continuing constitutional revision he is undertaking.

That is the main substance of my remarks. I compliment the hon. member for Laval East for the thoughtful intervention. The thrust of it is one that the government takes very much to heart. I would think again that probably the main thrust is in article 3.1(a) and that the other matters could be raised at another time in another arena in a substantive discussion of federal–provincial relations.

Mr. Charlie Penson (Peace River, Ref.): Madam Speaker, I rise today to speak at report stage of Bill C–57, specifically to Motion No. 1.

It is important to me and my party that the World Trade Organization be allowed to get up and running very quickly. Canada has a number of disputes we would like to see moved to the international stage such as the wheat dispute and the constant steel disputes between Canada and the United States. It very important to move these on very quickly.

Motion No. 1 never really tries to accomplish this. It goes against the spirit of the trade agreement, especially the fourth part of that section which proposes the imposition of new tariffs at a time when we are seeking to reduce all tariffs worldwide.

In addition, constant provincial consultation will tie the hands of the federal government in trade disputes and international economic matters. Canada should speak with one voice in international forums.

The second part would tie the federal government's hands in allocating tariff quota for supply managed sectors. I am sure that is not what is intended in Motion No. 1, but that could be a result.

I would like to deal with Motion No. 2 which is in the group we are debating this morning. This motion asks for a yearly report to the House of Commons outlining trade implementation and the major trade obligations undertaken by Canada and the impact on Canadian workers and companies.

Those kind of assessments are being done on an ongoing basis. The government should not commit itself to studying the impact of trade agreements on workers and companies on a yearly basis. These studies are carried out all the time by the industries and workers groups and the parties involved should be the ones that assess the impact. They would also be a little bit more effective in studying the impact on their groups rather than having the government do it for them.

• (1140)

I oppose Motion No. 6. It would create unnecessary delays. International relations are the responsibility of the federal government. A House committee can ask the government to justify its actions, including calling ministers and departmental officials before a standing committee at any time. This is an ambiguous motion, one that would be really designed to make more work. That option is already there, let us use it.

Regarding Motion No. 7, the House already has the power to ask the minister for reports when it deems necessary. Regarding the social clause that is being proposed by the NDP, this has already been rejected by the parties that negotiated the GATT agreement for the last seven years and to try and move it back in now would be a mistake.

In addition to that, labour and environmental standards that the members down the line here have suggested would actually have a detrimental effect on the very people they are suggesting to help. If people in underdeveloped countries have to conform to a minimum wage standard and strict environmental standards like Canada has, how can they compete in the world marketplace? It is not necessary. It was recognized that it is not necessary in the discussions that led up to the signing of the GATT. In addition it is a matter that is going to be discussed on an ongoing basis in the second round of the GATT negotiations to see if there is any necessity for it.

I oppose the motions being proposed and urge the House to move quickly to implement the GATT agreement through the World Trade Organization and try to resolve a lot of outstanding issues very quickly with the weight of all 120 member countries behind us.

Mr. Wayne Easter (Malpeque, Lib.): Madam Speaker, I want to speak to Motion No. 1, especially clause 3.4. Clause 3.4 of Motion No. 1 indicates that in the case where imports exceed the established tariff rate levels, the minister shall impose tariffs to ensure that such products are not permitted at prices lower than those in the domestic market.

The concern that is being raised in Bill C–57 is the proposal that would allow supplemental imports of supply managed commodities as "within accessed commitment", which means they would enter Canada at low or no tariff.

In talking to people in the industry about section 3.4, they have indicated that they think the section is far too restrictive in that it provides the minister with little or no discretionary power.

It is important to understand that in supply managed industries some commodities require from time to time to import and require supplementary quotas. The problem is how do you do that in such a way so as not to allow the industry to use the supplemental quotas as a lever with which to either manipulate prices or to break the supply management system?

Let me give the House an example. A cheese manufacturer who makes frozen pizzas, when asked for future milk demands, understates them. Later when the cheese manufacturer needed milk to manufacture cheese for pizza he would indicate that market demand has all of a sudden increased. Milk could not be sourced in Canada because no one would be prepared to produce that unexpected demand in that short a time. The manufacturer then could apply for and be granted a tariff free supplemental import permit. Other manufacturers would learn of this advantage and either try and beat the system themselves, as the original applicant had done, or pressure domestic producers for a lower price to match that of the non–tariff imports so that they could compete.

That kind of situation could happen if supplemental quotas are granted without restriction. This amendment has restricted the discretion of the minister to the point that it would be unworkable.

• (1145)

The supplemental quota is an extremely important area, especially as a result of the new arrangements under the GATT in which we are moving from import controls to tariff level controls.

The government has assured us that supplemental quotas can be granted in such a way so as not to undermine the supply management system.

Mr. Penson: It needs to be undermined.

Mr. Easter: I hear the member opposite. The government made a commitment, might I say, to support the supply management system. In the legislation we are trying to ensure we support the supply management system to the extent the agreement that we signed implied. We trying to ensure through the supplemental quota provisions that the industry cannot use those supplemental quotas in such a way as to break the system.

In conclusion I indicate again that the system has certainly changed substantially as a result of the GATT negotiations. The World Trade Organization in Bill C–57 will try to implement those changes into domestic law. As a government we certainly recognize a legitimate concern under supplemental quotas, but we have indicated that those concerns will be addressed if not through this legislation then by some other means.

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I am pleased to rise in the House to speak on Bill C–57.

I want to make a comment in response to the Liberal member for Vancouver Quadra. He made some comments with respect to the bill. He indicated that some of the amendments before the House would actually force the minister to stand up for Canadians. The member is opposed to that. He wants the bill and these types of laws implemented on an international basis so that ministers of our government and our people will not stand up for Canadians whether it be in supply management, the steel production area or any other manufacturing sector.

I want the House of Commons and the people of Canada to understand that the Liberal member from Quadra who represents the Liberal government in the debate does not want to restrict the minister to making any commitments or standing up and fighting for Canadians across the country when it has to happen. I find that very shameful.

I want to make some remarks with respect to the bill on behalf of steel producers of Canada. A steel producer in my constituency, IPSCO, is one of the larger producers or manufacturers of pipe and steel in North America. It actually has some operations in the United States as well, as do many Canadian steel producers. This industry is quite concerned about Bill C–57 as it is presented before the House today because there are no equal legislative footings in the act which would support it in cases respecting anti–dumping.

For example, in the United States there is detailed drafting of legislation and a law in effect which support American anti–dumping processes. Bill C–57 does not provide an equitable amount of protection for Canadian steel producers. The technical wording of Bill C–57 as it applies to anti–dumping should be revised in the view of the Canadian steel producers to mirror as strictly as possible U.S. implementing legislation.

The steel industry in Canada is quite important to the Canadian economy. In 1993 there were $8.6 billion in sales. It is a fully competitive operation, having dramatically raised productivity in Canada over the number of years it has been in existence. We have over $3 billion in exports from Canada mostly to the United States. The Canadian Steel Producers Association employs 33,000 employees, not counting all those who work in downstream operations such as distribution, fabrication and wire production.

• (1150)

Trade is increasingly important to the Canadian Steel Producers Association and in particular to our country. Trade in all goods and services increases economic growth which on its own is good for the steel industry. Trade in steel is becoming increasingly important to Canadian steel producers. It is reflected in the sense that they are concerned about some of the NAFTA and some of the American legislation which is protectionist. They have undertaken to initiate businesses in the United States to get around some of this, thereby costing Canadians jobs in the end. The volume of steel shipped from Canada for export has risen from 30 per cent in 1983 to nearly 40 per cent in the last year.

With respect to Bill C–57 I would like to talk about the sort of proposals the government might consider implementing to ensure that steel producers are not at a disadvantage with respect to American producers. There have been anti–dumping actions between Canada and the United States over the past two years. They have been involved with 11 different anti–dumping cases, 9 of which involved trade between Canada and the United States.

We believe such actions have no place in the free trade area. It would be to our mutual advantage to stop anti–dumping actions between our two countries. A NAFTA working group has been established to look at alternatives to the present anti–dumping regime in North America and has a deadline of December 1995. We want this effort to succeed so that steel can be traded within NAFTA on a basis of price, quality and service, not lawsuits.

So far lawsuits still play an important role. There is a major imbalance between the way American and Canadian anti–dumping processes work. This puts Canadian firms at a disadvantage. It weakens the bargaining leverage of the Canadian government in negotiating change. Bill C–57 does not address this particular issue. That is what I am calling upon the government to do today.

For example, data requirements under the U.S. system are so onerous as to be a barrier in trade to themselves regardless of the outcome of a case. If dumping is found, the Canadian system allows the company either to adjust prices to eliminate any unfair trade practice or pay a known duty. The American system does not allow an exporter to simply adjust his price. He has to pay the duty deposit. Moreover, the exact amount of the duty is unknown until months or years after the sale has been made. The Canadian exporter thus faces uncertainty and financial risk by continuing to export. Anti–dumping actions between Canada and the U.S. should be stopped, but as long as they continue Canada should do nothing to diminish its leverage to negotiate change.

Unlike the American implementation of legislation the Canadian bill provides no guidelines on what would be acceptable evidence. Without guidelines it would be very difficult for a Canadian company to know how to demonstrate foreseen and imminent threat of injury. American companies will have an easier task under their legislation, even though the same principle of the WTO is being implemented.

The U.S. implementing legislation also provides that if dumping diminishes in reaction to the filing of a complaint, the International Trade Commission may discount evidence after the filing in its assessment of injury. This makes it easier for an injury charge to stick. There is no comparable provision in Bill C–57. Again the legislative support for Canadian producers will be weaker than that for American producers.

We have the member for Vancouver Quadra saying: "We don't want the minister to be in charge of providing some support for Canadian producers; we want the American and the international fields to be speaking for our producers". We all know they will not be supporting or speaking for our steel producers.

With the U.S. legislation spelling out in detail options for interpretation for its responsible agency, it will be easier for American companies to get injury findings and for those findings to be defended in any process of review and appeal. There is also a concern in the steel production area with respect to assessing the threat of injury at the time of sunset review, which is after five years.

• (1155)

Bill C–57 does not say anything about how the threat of injury should be interpreted at the time of review of an anti–dumping action, but the American implementing legislation does. It states that the International Trade Commission, in determining whether the threat of injury meets the WTO criteria of clearly foreseen and imminent, may consider that the effects of revocation or termination may not be imminent but may manifest themselves over a longer period of time. And it may consider indirect effects including whether the imports would potentially inhibit a domestic producer from developing improved versions of the product.

In short, if we compare the wording of the U.S. and Canadian legislation to implement the sunset requirement of the WTO, it will clearly be much easier for American than for Canadian companies to prove the need for a continuation of anti–dumping action. It will also be easier for such a finding to be defended on appeal because of the latitude of interpretation spelled out in the American legislation.

There are other things that are quite important to the industry. I want to summarize by saying that the detailed drafting of the legislation should not be allowed to widen the gap between Canadian and American anti–dumping processes which already puts Canadian companies at a disadvantage with respect to their primary market and weakens the leverage of the Canadian government negotiating alternatives to anti–dumping under NAFTA.

The technical wording of Bill C–57 as it applies to anti–dumping should be revised to mirror as strictly as possible the implementing legislation of the United States. That is what we in the New Democratic Party caucus are calling for. That is what the steel producers of Canada and their association are calling upon the government to implement. We are asking that it happen by supporting the motions we have put before the House.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): I am pleased to support the motion of my colleague from Laval East.

It is important to the Bloc Quebecois that the Minister of International Trade establish a mandatory process to consult with the provinces regarding the implementation of the Agreement wherever it relates to a matter within provincial jurisdiction, any matter relating to trade dispute resolution and any economic matter of major national or international significance.

I will go over each of these elements. Regarding the implementation of the Agreement, a federal–provincial consultation process is required because the federal government cannot interfere in areas within provincial jurisdiction as it pleases and also because it is necessary to harmonize provincial policies with international obligations. What the Bloc is requesting is not excessive or extravagant since our American neighbours have already made provision for such a mechanism. Indeed, the Trade and Tariff Act of 1984 provides for the establishment of a consultation process between the federal government and the

states regarding the implementation of any trade agreement affecting these states.

The provinces are not involved either in the dispute settlement mechanism described in this bill. Yet, it is essential that the provinces be involved in a formal consultation process for the development of the Canadian position, especially regarding matters within provincial jurisdiction. How can the federal government prepare itself adequately in disputes over things like beer, magnesium and lumber? Again, let us not forget that, in the same legislation that I mentioned moments ago regarding the implementation of trade agreements, the United States have made provision for the establishment of a consultation process for the settlement of disputes affecting American states. Canada could do the same thing.

Finally, it is also imperative that the federal government do not act alone with regard to economic matters of major significance. These matters have a direct impact on the lives of all Canadians and on the social and economic development of every province. Thus, provincial governments must be consulted on such matters as employment enhancement, monetary policies, etc.

The second major point is the need for agreement with the provinces on tariff rate quotas and selection mechanisms for access to Canadian market. The import quotas set to protect our supply management programs have been abolished by the GATT agreements. They have been replaced by tariff quotas. This affects four agricultural areas: dairy products, eggs, poultry and turkeys.

Under the Canadian legislation implementing the Uruguay Round agreements, tariff quota mechanisms and their allocation are in the minister's hands. The Bloc Quebecois believes it is imperative to limit that power and to make it incumbent on the minister to get the agreement of the provinces for any change in these tariff quota allocation mechanisms.

• (1200)

But there is something more important. Because of the impact on regional economies, it is important that the provinces be involved in allocation. As with the tariff quota allocation, we do not see how the mechanisms for selecting our trade partners to be given access to the Canadian market can be concentrated in the hands of the minister only.

It is imperative that the provinces be involved in this selection process, because of the direct and indirect impact it can have on regional economies. As for the subsidized exports, our amendment seeks to give Canadian industries more flexibility for the phasing out of our export subsidies in compliance with our GATT commitments.

That flexibility is needed to maintain the competitiveness of our businesses on the international market, should their trade partners not comply with these same commitments. Again, we have to insist on the need for a parliamentary follow–up.

This bill gives the minister the authority to levy duties on farm products imported outside tariff rate quotas, so that prices will not be lower than prices on the Canadian market when we are experiencing shortages. We all know that shortages are not always real, but can be engineered.

I am pleased to speak to this amendment moved by my colleague for Longueuil providing for a parliamentary follow–up mechanism. For the sake of openness, it is imperative that we set up such a mechanism to monitor the implementation of the agreement in Canada, trade commitments undertaken by Canada's trading partners, and the impact of the agreement on Canadian workers and companies.

Canada already has a mechanism to monitor U.S. trade practices, especially trade barriers against Canadian goods. That process is open to the public, but no report is tabled in the House. This amendment involves a control of the bureaucratic system by the Parliament of Canada in order to inform the Canadian public as fully as possible, and promote public debate on major issues affecting the Canadian economy.

This same concern about openness can already be seen in the United States. The American version of our Bill C–57 provides for an annual review of trade policies by Congress. It is essential that Canadian elected representatives be informed of the status of commitments undertaken by our trading partners under the Uruguay Round. For example, Parliament should get information on reductions in internal and export subsidies in the United States, the opening–up of U.S. borders to Canadian exports, etc.

More importantly, Parliament should be apprised of developments in trade disputes between Canada and the United States concerning, for example, wheat, beer, yoghurt and ice cream. Our American neighbours are prepared, with the number of consultation processes I mentioned earlier, to settle those disputes. Canada is not in the same state of readiness, and that is why we should implement similar mechanisms immediately.

Since the Liberal Party promised labour adjustment measures in its red book, members opposite should not reject this amendment which provides that the minister should inform the House of new developments in this area.

Mr. Stéphane Bergeron (Verchères, BQ): Madam Speaker, like my colleagues who already spoke on the various amendments now before us, I am pleased to give my views on amendments 1, 2, 6 and 7. With your permission, I would like to start with amendments 6 and 7, proposed by the hon. member from the NDP.

With respect to amendment 6, I must first say that we subscribe to some of the principles underlying the amendment itself. However, we believe that certain provisions of this amendment will make the World Trade Organization's decision–making process much more cumbersome.

• (1205)

Consequently, we have some difficulty supporting this amendment. We agree particularly on the principle that the changes to be made to provincial legislation must be considered, along with the provincial areas of jurisdiction affected by implementing the Uruguay Round agreement.

I would like to point out to my colleague that we presented an amendment which will require the government to take into account the provisions concerning provincial areas of jurisdiction. So I respectfully invite him to support our amendment instead of his, because his amendment will make the World Trade Organization's decision–making process considerably more cumbersome, as I said earlier.

As for amendment 7, requiring the minister to report twice a year on the state of negotiations on the labour, social and environmental aspects of trade relations, we agree on this principle, of course. However, I repeat that we proposed an amendment which addresses this concern. I regret to inform the hon. member that, during the work of the Standing Committee on Foreign Affairs and International trade, our colleagues on the government side were not very receptive to the idea of having only one annual report on the implementation of the Uruguay Round agreements by our main partners, particularly the United States.

I see that the amendment moved by the hon. member of the New Democratic Party, which suggests not only one report but two of them, has even less chance of being approved by members on the government side. Consequently, I would invite him, so that we can be sure that this point will be accepted, to support our amendment, which seeks only one report every year.

Before I go any further, may I draw your attention to the fact that, once again, we do have not a quorum. On the government side, we only have the parliamentary secretary to the Minister of International Trade. So, Madam Speaker, I would ask you to rule on the quorum.

And the count having be taken:

The Acting Speaker (Mrs. Maheu): Since we have a quorum, the hon. member may continue.

Mr. Bergeron: Madam Speaker, I am impressed with how diligently you have applied the Standing Orders.

I am surprised to hear our colleagues from the Reform Party constantly repeat that we should have Bill C–57 adopted as soon as possible in order for the Uruguay Round Agreement to be implemented at the earliest possible time. I think nothing should stand in our moving as quickly as we can, even though obvious and significant improvements must be made to the bill tabled.

My colleague, the hon. member for Regina—Lumsden, is concerned with the expectations of the steel industry. I can assure him that today's Order Paper also contains an amendment which will likely meet these expectations.

I mentioned earlier that we intended to oppose amendments Nos. 6 and 7, mainly because we wanted to submit concurrent or similar ones which, according to us, would be simpler and easier to implement. With your permission, I will go back to these amendments.

• (1210)

I think our colleague, the hon. member for Laval East, did very well in introducing her amendment. I shall not elaborate further on that one.

However, I would like to add a few comments on the amendment also brilliantly introduced by my colleague from Longueuil. The hon. member for Louis–Hébert mentioned a few things with regard to these two amendments and I would like to shed new information on the subject.

I would like to remind the hon. members in this House that the purpose of the amendment was that Parliament be informed each year about the implementation of the Agreement in Canada, the fulfilment of our international obligations and the impact of the Agreement on Canadian and Quebec workers, according to priorities previously set by the Standing Committee on Foreign Affairs and International Trade.

It must be understood that the Uruguay Round Agreement is anything but a simple agreement between technocrats. It is the result of eight years of very complex negotiations which meant that the various participating governments and States had to make a number of political choices.

The effects of this Agreement are numerous and they affect a great many different areas. The Americans are ready, and we see this in the bill that is now before Congress—to challenge our tariff measures and compare them with the provisions of the international treaties we have signed, and I am referring to the Uruguay Round agreement and NAFTA. They have set up a consultation process to collect information that will be used to challenge our measures, for instance. We must be prepared. We must have the information we need to prepare on defence. In this respect, I note that section 424 of the U.S. bill to implement the Uruguay Round agreement reads as follows:

[*English*]

"The President, not later than six months after the date of entering into force of the WTO agreement with respect to the United States, shall submit a report to the Congress on the extent to which Canada is complying with its obligation under the Uruguay round agreement with respect to dairy and poultry

products and with its related obligations under the North American Free Trade Agreement".

[*Translation*]

This translates more or less as follows: "The President, not later than six months after the date of entering into force of the WTO agreement with respect to the United States, shall submit a report to the Congress on the extent to which Canada is complying with its obligation under the Uruguay Round agreement with respect to dairy and poultry products and with its related obligations under the North American Free Trade Agreement".

If the United States makes provision in its legislation for verifying Canada's compliance with the Uruguay Round agreement, we can drop any reluctance we might have about including provisions in our own legislation provisions authorizing Parliament to report on how our principal trading partners, and mainly the United States, are complying with the Uruguay Round agreement.

The amendment in question also refers to the impact on workers and companies, and I would like to expand on this aspect. Paragraph *(c)* of the amendment proposed in motion No. 2 reads as follows: "the impact of the Agreement on Canadian workers and companies".

The report to be submitted by the government should indicate the impact the Agreement has on Canadian workers and companies. This is important and reflects concerns raised by our colleagues in their amendments.

I may recall that this provision in the amendment is entirely in line with a promise in the Liberal Party's red book that the government would assist individuals and firms in labour–intensive sectors of the Canadian economy, such as furniture manufacturing and textiles, to deal with restructuring. As you know, there is a significant concentration of these sectors in Quebec, and especially in Montreal.

With this amendment, the government has an opportunity to meet one of their commitments in the red book which was to consider the impact of the Uruguay Round agreement on individuals and firms, so that subsequently, it can assist individuals and firms to deal with restructuring.

• (1215)

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I will speak to Motions Nos. 1, 2, 6 and 7, starting with motion No. 1.

We believe the amendment suggested entails many problems and should be rejected. The first problem with subclause 3.1 is that we already have an efficient process for consultation between the federal and provincial governments regarding external trade when the provinces' interests are concerned. The provinces were very well served by these instruments in the implementation of international agreements or the resolution of disputes ensuing from this agreement.

As for subclause 3.2, by requiring the Governor in Council to ask the provinces' consent before doing any of the things mentioned, it would change the current rules under the Constitution. It will give the provinces a veto in international matters.

As for subclause 3.3, Canada cannot subject the implementation of its international commitments to the behaviour of its trading partners. If it considers that they are not respecting their obligations, Canada can then resort to the dispute resolution mechanism, which is usually successful. Canada cannot simply decide not to respect its obligations. It is still in Canada's interest to obey the rule of law, not to go against it.

[*English*]

Paragraph 3.4, the proposal would be contrary to what was negotiated in the agreement, specifically paragraph 4.2 of the agriculture agreement. A central part of the agriculture agreement is the elimination of measures such as variable levies. The effect of this amendment would be to introduce such measures. The government appreciates the interest on the issue of supplementary import of an agriculture product in cases of shortage in the domestic market. However, these matters are currently the subject of consultation with all domestic stakeholders.

We also recommend rejection of Motion No. 2. Committees of the House are always free to request reports from ministers, imposing the statutory obligation. At this point to produce a report would I presume tie Parliament's hands in the future. I suggest it would be a lot more prudent to request such a report as the need arises. Preparation of such a report, I have no doubt in my mind and in the minds of my colleagues, will cost a significant amount of resources both financially and otherwise.

Concerning paragraph (b), this refers to all trade obligations and commitments of Canada's principal trading partners and therefore goes beyond the scope of the bill before the House. Concerning paragraph (c), the impact of the agreement on Canadian workers and companies as a matter of economic analysis, there are methodological problems with isolating the effect of the agreement from other elements affecting Canadian companies and workers.

• (1220)

Concerning Motion No. 6, we recommend the rejection of this motion for the following reasons.

The consultation requirement contained in paragraph 2.1 would be very onerous and unworkable. The World Trade General Council will meet frequently and take numerous decisions that directly or indirectly affect Canadian interests, rights and obligations. The requirement for the minister to consult

with the committee prior to each such decision would require frequent meetings with the committee on a plethora of details and highly technical issues. Moreover, the agenda of the council is often fixed very shortly before its meeting and a prior consultation requirement would hamstring Canada's ability to respond quickly and flexibly to new developments in a manner that takes account of the position of other World Trade Organization members and that effectively advances Canadian interests.

The reporting requirement in paragraphs 2.2 to 2.4 is also unworkable and would have significant resource implications. Some of the information requested is contained in the GATT reports. Other information is restricted under GATT practice and therefore its public release is not permitted. Canada is currently working in the World Trade Organization preparatory committee to have such documents derestricted on a more expedited timetable. These World Trade Organization reports and documents could be made available to a committee of the House.

Finally, we also recommend the rejection of Motion No. 7 because the reporting requirement is onerous and would entail significant resource implications. The minister could in any case report on ongoing negotiations from time to time as appropriate or as requested by a committee.

My colleagues from the New Democratic Party suggest that we introduce an amendment that would deal with the social clause. This suggestion is too late to even be considered. Our answer to that would be that the best social clause this or any other government could offer would be a job.

To that extent, I would suggest that Motions Nos. 1, 2, 6 and 7 all be rejected.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I would like to say very briefly that we are stressing in this motion the necessity for the federal government to consult provinces and establish mechanisms before taking position in sectors which are, formally and constitutionally, within provincial jurisdiction.

In agriculture, for example, we have seen during the last negotiations the impact that it could have on the marketing of eggs, poultry and other products. We believe that the federal should not only consult the provinces but also create a formal mechanism so that, in sectors such as agriculture, culture, and natural resources, provinces are not only consulted but have a say on the position taken by Canada in this international forum.

This supposes that negotiations will go on with the provinces. We are told that provinces will be fully consulted; we fail to see how the government can oppose the amendment we are proposing.

Let us take the American government, for instance. Liberals are of the opinion, and so am I, that the American federation is much more centralized than Canada. Yet, in Part E of the Statement of Administrative Action, the American equivalent of Bill C–57, which deals with the Uruguay Round Agreement Act, sections 102B and 102C provide that the US federal government must not only inform but establish a process to consult the states regarding the general implementation of the Uruguay Round as well as the positions to be adopted during the settlement of commercial disputes.

• (1225)

In the case of lumber, for example, Quebec had to bear the burden of tariffs which were in no way warranted. The problem existed only in British Columbia. Yet Quebec had to pay the price although, strangely enough, New Brunswick was exempt. Why two different treatments, one for Quebec and one for New Brunswick, when the problem was in British Columbia?

If there was a compulsory system like the one we propose, first, we would not come to a point where some provinces, like Quebec, are penalized. Second, the government would have to stop pretending that it is consulting provinces, because there would be mandatory consulting mechanisms which would have to produce results. That means that the position of Canada would be arrived at after due consideration of the powers granted to provinces by the Constitution of Canada.

We are only asking that the government abide by the Constitution and recognize provincial jurisdictions at the international level. We are asking for an extension of the rights of the provinces to the international level in the area of trade agreements and, as long as Quebec remains in confederation, we want Canada to respect provincial rights. If the United States can do it, what prevents Canada from doing the same?

These are the comments I wanted to make, Mr. Speaker.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question

The Acting Speaker (Mr. Kilger): The question is on Motion No. 1, standing in the name of Mrs. Debien.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76, the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 2, standing in the name of Mr. Leblanc (Longueuil).

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76, the recorded division on the proposed motion stands deferred.

[*English*]

The next question is on Motion No. 6 standing in the name of Mr. Taylor.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 6 negatived)

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 7 standing in the name of Mr. Taylor.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion, the nays have it.

Some hon. members: On division.

(Motion No. 7 negatived)

• (1230)

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 3

That Bill C–57, in Clause 8, be amended by replacing line 1, on page 4, with the following:

"8.(1) Subject to this section, the Agreement is hereby approved.

(2) In subsections (2) to (6), "law of Canada" includes laws duly enacted by any province or territory in Canada.

(3) No provision of the Agreement shall apply where its application or enforcement would result in contravention of any law of Canada.

(4) Nothing in the Agreement or in this Act shall be construed

(a) to amend or modify any law of Canada, including any law relating to

(i) protection of human or animal life,

(ii) protection of the environment, or

(iii) worker safety;

or

(b) to limit any authority conferred under a law of Canada, unless specifically provided for in this Act.

(5) As may be required, the Minister shall consult with the governments of the provinces and territories for the purpose of achieving conformity with the provisions of the Agreement.

(6) No law of Canada may be declared invalid on the ground that the law or its application or enforcement in a particular circumstance is inconsistent with any provision of the Agreement."

He said: Mr. Speaker, I am pleased to rise today to speak on this motion amending Bill C–57.

This amendment writes into Canadian law precisely the same measures that have been written by Congress into American law regarding the implementation of the World Trade Organization agreement in the United States. Congress has feared that the WTO will seriously compromise American sovereignty.

We have heard many of the newly elected American politicians talking about their desire to remain an independent and sovereign nation capable of making their own economic decisions for Americans. This sort of statement is something we should be hearing from the front benches of our own government and from the other members in this Chamber who wish to ensure that all Canadians, regardless of their profession, vocation or status in life have an opportunity to succeed with the support of their government in their endeavours.

As I indicated, Congress fears that the WTO will seriously compromise American sovereignty, It has therefore included several clear statements in its legislation to ensure that American law will prevail over any WTO decision. In looking at the American legislation which defines the relationship of the agreement to United States law and state law, in section 102(a)(1) I read this:

> United States law to prevail in conflict. No provision of any of the Uru guay round agreements, nor the application of any such provision to any person or circumstance that is inconsistent with any law of the United States shall have effect.

Incredible. Section 102(a)(2) states:

> Construction. Nothing in this act shall be construed
>
> (A) to amend or modify any law of the United States including any law relating to:
>
> (i) the protection of human animal plant life or health;
>
> (ii) the protection of the environment; or
>
> (iii) worker safety; or
>
> (B) to limit any authority conferred under any law of the United States, including section 301 of the Trade Act of 1974.

The United States is one of the largest if not the largest trading nation in the world. Again the Americans are ensuring that the agreements they are reaching on the international stage protect the interests of the people within their borders. Surely we in Canada deserve to be negotiating and agreeing to no less.

• (1235)

We are familiar with the behaviour of the Americans under the North American free trade agreement especially with regard to durum wheat which I am very familiar with and softwood lumber which all members of my caucus are familiar with. We can assume that the Americans mean business when they say they will not let any international agreement stop them from harassing the trade of their trading partners if they feel it is in their interests.

It is not that I am trying to say we can learn a lesson from the Americans in this regard. The Americans will defend themselves right or wrong. We know from durum wheat, softwood lumber and other matters that even when they are wrong they will take every measure they can to ensure that their interests are protected and the people whose interests need protecting are supported.

Even in our own case where we know we are right on durum right we caved in. On the Crow benefit, transporting grain to port for sale in the international marketplace, we know we are right to maintain that benefit for our producers. Even before the agreement is signed here in Canada or the legislation implementing the agreement in Canada is concluded, the Liberal government across the way is giving away the Crow benefit.

The government is negotiating right now on the prairies how to change that benefit for Canadian producers. The people who are best served by that benefit are being let down by this government in the absence of even an agreement through this legislation to proceed, whereas our trading partner is going to every length it possibly can to protect its producers even though it is wrong. This is unbelievable.

Canadians have to take note of what is happening not only through this debate but through this whole WTO practice. As we know, in such circumstances we believe it is not only right but also proper for Canada to arm itself with the same legal weapons containing the effects of the WTO agreement until such time as the Americans will demonstrate goodwill in making a rules based trading system work.

The member for Winnipeg Transcona, our party's trade critic, has done a tremendous amount of work on this legislation and has carefully thought through many of the provisions. As a result he has written a letter a portion of which I would like to read into today's record of *Hansard* and for the benefit of all those who are watching. This letter appeared in the Washington *Post* on November 6. I quote the last two paragraphs of his letter:

> The apparent failure of a rules–based trading regime is rich in irony. Canadians and Americans, like others around the world, have been asked by the multinationals and their allies in governments to sacrifice considerable national sovereignty over investment policy and social, labour and environmental standards in exchange for this rules–based regime. If it becomes evident that the rules do not work as a result of either American ideological arrogance or American self–interest masquerading as ideology, informed voters around the world may feel that there has been a breach of the contracts their country has entered into through the various trade liberalization agreements. Such voters may demand that their governments try to take back some of that lost sovereignty, until such times as a real global community can be established as an alternative to the moral anarchy of the current "globalization".
>
> In this sense, any American sabotage of a rules–based regime may be the great hope for those opposed to globalization on the terms set out by the multinationals. America may yet be the undoing of free trade, either by harassing others into despair about its sincerity, or by exiting such agreements themselves if they prove to be too effective in cases where fair trade conflicts with American self–interest.

• (1240)

It is very clear here that the Americans in attempting to protect their own economic interests are taking steps that could, if they scuttle the agreement in the United States, benefit Canadian interests in ensuring that those engaged in our economy receive a fair shake for what they are doing.

The amendment in front of us today does nothing less than ensure that our legislation is exactly the same or carries exactly the same interests forward as what the Americans are doing in theirs.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, it is my pleasure to stand in this House and support the New Democratic Party motion on Bill C–57 to provide the businesses and people of Canada with the same rights under the WTO as the Americans have.

I want to start my remarks by sharing with the House and the people of Canada the fact that I had an opportunity to meet with a number of U.S. senators and congressmen last spring. The purpose of the meetings were to discuss certain issues relating to Canada and the U.S. with respect to steel production, steel trade, exports and imports, as well as the question of the durum wheat export problems that the Americans perceive to be having with Canada.

This is what I concluded during the course of our discussions. We met with about 16 or 17 senators and congressmen from the United States. They are not free traders. They are not people who respect international agreements if the international agreements and free trade threaten their industries or jobs in their country or threaten markets which they have captured during the course of doing business.

We should not be discarding or brushing off Americans as incompetent business people. Americans usually undertake business to make money. They undertake business around the world to make money around the world. They do not give other countries concessions such as: "We will do a little business with your country and you can do a little business with our country and make a lot of money off us at the expense of jobs in the United States, at the expense of United States industry".

Americans are not stupid people and neither are their business people. They know full well when they see a business opportunity they will take full advantage of that business opportunity to maximize their profits and returns for their people.

From this visit with these American senators and congressmen I also concluded that they view trade with Canada as important, but they view protecting their own industries and their own jobs to be of greater importance. In view of that they have laws which the member for The Battlefords—Meadow Lake has already outlined. They have clauses in their legislation to protect their industry. Under Bill C–57 we do not have the same protection with respect to the WTO for our own industry, businesses and producers.

Earlier in the day I spoke about the importance of the steel producers in Canada and the problems they are having with the Americans. Now even under the North American free trade agreement the Americans are able to say to the steel producers in Canada: "We appreciate your competition, but you are hurting jobs in the United States. Therefore we are going to undertake to countervail and create a little bit of a problem for your industry".

There are mechanisms in the agreements, but whenever they do this it causes a great deal of expense to the steel producers in Canada because they have to comply with all the American laws that protect the American industry. It costs them money for lawyers. It costs them money for analyses. It costs them money to produce an argument in support of their position with respect to exporting steel form Canada to the United States.

By the way, Canadian producers do not dump steel in the United States; they produce steel for contracts they have received in the United States of America. They produce the steel ready made. It is already pre–sold once it is there, but the Americans still do not like this process.

• (1245)

Bill C–57 is about 200 pages in length and is a fairly substantial bill. I know all five members of the House who are left here right now seem to be concerned about the bill and seeing it passed in its entirety. New Democrats on the other hand are quite concerned that the bill provide the same protection to its producers and manufacturers in Canada as the American legislation provides to their producers and manufacturers. That is all New Democrats are asking for.

We are asking for fairness. We are asking for equity. We are asking that the Government of Canada stand up on behalf of Canadian manufacturers, workers and others in the international market. The international market and other countries will be standing up for themselves. Unless Canadians feel it is a priority to protect and promote our own industry we have a real serious problem.

Therefore in this motion we are asking the government to do what other countries have done for their people. We are not asking for anything more. We are not asking even to be provocative. We are just saying that we should do what others have done. Let us do what the government is obliged to do, that is to protect Canadians in the event of trade agreements.

Mr. Taylor: Do the right thing.

Mr. Solomon: As my colleague from The Battlefords—Meadowlake has said, let us do the right thing for producers, business people, farmers and the working people of Canada.

In summary, the American legislation protects its industries and its jobs. All we are asking in the amendment to Bill C–57 that we have put before the House is for the government to do the same; no more or no less but just to do the same so we can stand proudly as parliamentarians and say that we are aware of the challenges facing our producers, our workers and our industries and we are prepared to stand four–square behind them in making sure they are not at a disadvantage in the international marketplace.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I do not understand why my colleagues are so anti–American in their approach to the legislation. We are talking about the World Trade Organization implementing legislation in terms of Canada and Canada's obligation to the international community. Since they mentioned section 102(a)(1) of the American implementing legislation I should like to suggest to my colleague that this action only reflects a congressional view that necessary changes in federal statutes should be specifically enacted rather than provided for in blanket pre–emption of the federal statute by the agreement.

Canada's legal regime is similar in that respect. Actually under our Canadian domestic law Canadian legislators have precedence over our international obligation in case of conflict unless specifically provided otherwise in the legislation. This is as a result of basic Canadian constitutional law.

The section which was quoted, section 102(a)(1), does not reflect U.S. intentions to apply domestic law in contravention to its World Trade Organization obligations or have recourse to its domestic legislation to unilaterally enforce World Trade Organization obligations against other countries.

Irrespective of this section the U.S. will be bound by its World Trade Organization obligations under international law. Those obligations could be enforced under the dispute settlement mechanism if need be. This provision of the U.S. implementing legislation does not represent any threat to Canada.

We are recommending rejection of the motion as proposed. Subparagraph 8.2, depending upon its interpretation, could have important constitutional implications. The bill does not intend in any way to introduce legislation which would impact on provincial legislation. The paragraph could be seen as an intrusion by Parliament into provincial jurisdiction. In subparagraphs 8.3 and 8.6 there is no need for these proposals.

• (1250)

Under Canadian constitutional law our international obligations become part of Canadian law only to the extent of their implementation by Parliament. No international agreement can prevail over Canadian law unless Parliament specifically legislates to that effect. There is nothing in the bill that gives precedence to the agreement. Therefore our basic constitutional law will continue to apply.

Subparagraph 8.4 is contrary to our international obligations. The sole purpose of the bill is to approve the World Trade Organization agreement and to implement obligations under the agreement. It is necessary to amend and modify existing Canadian statutes to implement those obligations and to allow Canada to become a full member of the World Trade Organization.

Subparagraph 8.5 proposes to introduce a federal–provincial consultative mechanism for the purpose of implementing the agreement. This mechanism is already in place and is very efficient. Therefore we see no need to legislate on the matter.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I also would like to speak on motion No. 3 and point out that the Bloc Quebecois will vote against the motion presented by our colleague from the New Democratic Party, not because we are opposed to its subject matter, on the contrary. A number of principles contained in the motion are quite laudable and we are in total agreement with them.

Obviously, it goes without saying that we support the protection of human or animal life, the protection of the environment and worker safety.

We are also in total agreement with clause 8(2) which deals with the application of the agreement to the laws of the provinces and territories in Canada.

We are opposed to this proposed amendment, and regrettably so, because we in the Bloc Quebecois have also been faced with having a similar amendment rejected by the government. During the clause by clause study of the bill, we attempted to present two amendment proposals to the Standing Committee on Foreign Affairs and International Trade, but we eventually withdrew them. With our proposed amendments, we wanted to make the implementation of the agreement conditional on a number of points. There were a few problems, consequently we withdrew our proposals and worded the amendments differently so as not to make the approval of the agreement conditional.

The amendment presented by the New Democratic Party makes the approval of the agreement conditional on a number of things. Obviously, for our part, we would see no problem in making it conditional on the protection of human or animal life, the protection of the environment or worker safety.

Rather, the problem is that the approval of the agreement is made conditional. It means that we are willing to renege on the word given on the international scene, which will not necessarily endear us to our trading partners. On the other hand, clause 8(6) states: "No law of Canada may be declared invalid on the ground that the law or its application or enforcement in a particular circumstance is inconsistent with any provision of the Agreement".

The effect of this provision of the proposed amendment is to render Bill C–57 completely null and void. This is basically why we are opposed to this amendment.

I say it again, we are doing so with great regret since the underlying principles are laudable and we are in total agreement with them. We will have to vote against this amendment and we most sincerely regret it.

• (1255)

[*English*]

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I rise to oppose Motion No. 3. I believe the trade agreement must be allowed to overrule protectionist domestic laws both here and in the United States. We must act within the spirit of the agreement that was signed by the 120 member countries after seven long years of negotiations in the GATT Uruguay round.

If we adopted the amendment proposed by the NDP we would not be achieving the move to free trade which benefits a lot of us, and particularly those in agriculture who did not have rules regarding trade in agriculture under the GATT. They are now being brought under it for the first time. I believe protectionist laws may be developed in some provinces that would handcuff the ability of the federal government to work within the World Trade Organization and the GATT.

I believe it should be defeated and therefore oppose the motion.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 3 negatived.)

The Acting Speaker (Mr. Kilger): I shall now propose Motions Nos. 4 and 5 which will be grouped for debate but voted on separately.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 4

That Bill C–57 be amended by adding after line 20, on page 4, the following new Clause:

"12.1 The Minister shall conduct a study to determine the effects of the Uruguay Round Agreements on the Canadian milk marketing system and shall, not later than 6 months after the date of entry into force of the Agreement with respect to Canada, table a report in the House of Commons on the results of the study."

Motion No. 5

That Bill C–57, be amended by adding after line 20, on page 4, the following new Clause:

"12.1 Not later than March 1 of each year beginning in 1996, the Minister shall table in the House of Commons a report describing, in respect of the preceding fiscal year of the World Trade Organization ("WTO"),

(a) the major activities and work programs of WTO, including the functions and activities of committees established under Article IV of the Agreement and the expenditures made by WTO in connection with those activities and programs;

(b) the percentage of budgetary assessments by WTO that were accounted for by each WTO Member including Canada;

(c) the total number of personnel employed or retained by the Secretariat at WTO and the number of professional, administrative and support staff at WTO;

(d) for each personnel category described in paragraph (c), the number of citizens of each WTO Member and the average salary of the personnel in each category;

(e) any report issued by a panel or the Appellate Body in a dispute settlement proceeding regarding any law of Canada or of any province or territory in Canada and the efforts of the Minister to provide for implementation of recommendations contained in the report that are adverse to Canada or any province or territory in Canada;

(f) details on proceedings before a panel or the Appellate Body that were initiated during the fiscal year regarding any law of Canada or of any province or territory in Canada, the status of the proceeding and the matters at issue in the proceeding;

(g) the status of consultations with any State whose law was the subject of a report adverse to Canada that was issued by a panel or the Appellate Body; and

(h) any progress achieved in increasing the transparency of proceedings of the Ministerial Conference and the General Council and of dispute settlement proceedings conducted pursuant to the Dispute Settlement Understanding.

12.2 The first annual report submitted to the House of Commons under section 12.1 after the end of the 5–year period beginning on the date on which the Agreement enters into force with respect to Canada and after the end of every 5–year period thereafter shall include an analysis of the effects of the Agreement on the interests of Canada, the costs and benefits to Canada of its participation in WTO and the value of continued participation in WTO."

● (1300)

He said: Mr. Speaker, I am pleased to rise and speak to these amendments before us in relation to Bill C–57, the bill under debate today.

I found it very interesting in the remarks just preceding the reading of the motion that we are debating now concerning the previous amendments that have been dealt with by the House that both speakers from the Reform Party and from the government indicated the inability to support a motion protecting the interests of Canadian producers by saying that the agreement has been signed and we cannot go back and renegotiate.

The amendments that have been brought forward were identical to what the United States Congress is implementing today. The Americans are not asking that we go back to the table and renegotiate the entire Uruguay round. They are just acting in the interests of the people they represent.

For this government and the Reform Party to side by each against the interests of Canadian producers, manufacturers, ordinary working people, people who care about the environment, people who care about whether or not children work or go to school is unbelievable. I find it completely unbelievable.

The government has an opportunity with the two amendments in front of us now grouped for debate to redeem itself somewhat. The motions in front of us once again point to the need to ensure that Canadian legislation represents the same type of interest that the American legislation is representing.

First, we have Motion No. 4 implementing in Canadian legislation section 425 of the American legislation dealing with the study of the milk marketing order system. Mr. Speaker, you have read into the record the motion that is in front of us calling on the minister to conduct a study to determine the effects of the Uruguay round on the milk marketing system.

We could probably choose to do a study on a number of matters within the Uruguay round agreement but certainly the milk study is one that is very important to our producers. We have not yet seen the interpretive papers that this government examined during the negotiations which tell us how the milk marketing changes will affect producers throughout Canada.

In order to be fair to this system, to the agreement and to the government that has accepted the changes at GATT, we are simply asking that in six months time this government in fairness to the milk producers of Canada go back over the previous six months, take a look at what has happened since the implementation of the agreement and find out if the interpretive papers it looked at previously are in line with what was supposed to be happening in the industry.

I said: "Mr. Speaker, you read the motion out in front of us today". Let me read to members section 425 of the American legislation and they can tell me if it is at all similar to the amendment in front of us:

425. The Secretary of Agriculture shall conduct a study to determine the effects of the Uruguay round agreements on the federal milk marketing order system. Not later than 6 months after the date of entry into force of the WTO agreement with respect to the United States, the Secretary of Agriculture shall report to the Congress on the results of the study.

The government should not tell us that we have to renegotiate the entire Uruguay round in order to protect the interests of our milk producers in this country.

Second, let us take a look at Motion No. 5 in front of us grouped for debate today. Mr. Speaker, you spent some time reading that motion into the record.

● (1305)

Let us take a look at section 124 of the American legislation that instructs the United States trade representative to present an annual report on the WTO to Congress. Let me read for the record the American legislation that is in front of us, section 124.

Not later than March 1 of each year beginning in 1996, the Trade Representative shall submit to the Congress a report describing for the preceding financial year of the WTO

(1) the major activities and work programs of the WTO, including the functions and the activities of the committees established under article IV of the WTO Agreement, and the expenditures made by the WTO in connection with these activities and programs;

(2) the percentage of budgetary assessments by the WTO that were accounted for by each WTO member country, including the United States;

(3) the total number of personnel employed or retained by the Secretariat of the WTO and the number of professional administrative and support staff of the WTO;

(4) for each personnel category described in paragraph (3), the number of citizens of each country, and the average salary of the personnel, in that category;

(5) each report—

I cannot read the word there. I will have to look at what we are presenting to Canadians.

—issued by the panel or the Appellate Body in a dispute settlement proceeding regarding Federal or State law, and any efforts by the Trade Representative to provide for implementation of the recommendation contained in a report that is adverse to the United States;

(6) each proceeding before the panel or the Appellate Body that was initiated during the fiscal year regarding Federal or State law, the status of the proceeding, and the matter at issue;

(7) the status of consultations with any State whose law was the subject of a report adverse to the United States and was issued by a panel or the Appellant Body; and,

(8) any progress achieved in increasing the transparency of proceedings of the Ministerial Conference and the General Council, and of dispute settlement proceedings conducted pursuant to the Dispute Settlement Understanding.

Sound familiar? The Canadian bill, C–57, contains no such provision. We are asking today that Canada ensure that we have a report on the activities of the WTO in front of us just as the Americans will have by legislative authority. It is the only fair and equitable way to deal with this international crisis confronting us in trade.

I would, even if the Americans had not put this legislation in front of them asking for an annual report, be asking that the Canadian people and the Canadian Parliament receive no less. We are entering into an agreement on a world stage. We then just allow that agreement to carry on without any kind of responsive action to the people of Canada and to this Parliament. It would be most unfortunate if we allowed it to happen.

Let us ensure that we the Canadian people, producers, and parliamentarians have an understanding every year of what is happening on our behalf in the global marketplace and that we are with that information able to respond in appropriate manner.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I am pleased to rise in the House this afternoon in support of this motion put forward by my New Democratic Party colleague, the member for The Battlefords—Meadow Lake.

All we are asking in this motion is that the government be responsible, accountable, fair, and to introduce equity with respect to these international trade agreements. Accountability is very important to the people of this country. The government was elected on the basis of trust, on the basis that it would stand up for Canadians in Canada and stand up for Canada outside Canada.

What we see here is a government that is not being fully accountable in Bill C–57. That is why we are moving this motion to ensure there is an accountability process so the government can review this particular bill and this particular trade agreement, the WTO, and report back to us in a regular and a timely fashion.

• (1310)

It is a natural course of doing business. As a business person, you never undertake a business plan, or in this case a government plan, without having some mechanism from which you can assess whether the program is working or not, or whether your business plan is functioning properly and working well. There has to be a regular review process. All we are asking is for the government to be accountable to the people of Canada and to the businesses of Canada by undertaking a regular review and reporting back to Parliament; nothing more, nothing less.

The government has the responsibility to the Canadian people to be accountable for the actions it takes and to be accountable for the treaties it enters into with other countries. It has to be responsible in its actions. All we are asking is for the government to take responsibility and to account for its actions on a regular basis.

We are asking for fairness, the third point in my remarks. We are asking the government to treat its own people in a fair way. Some people may debate whether the Americans in their legislation are being fair internationally, and we believe that they are not, but they are being very fair to the people that they govern. They are being fair because they are saying if an international agreement is unfair to their working people, their industries, or their manufacturing sector, they will implement and take action to protect their people.

Some people may view this as protectionism. Some people say why should we as Canadians play the same game? It is a mugs' game when you start putting a defence of one sector over another or defending one situation with respect to international agreements when other countries are not doing that. It starts bidding up or bidding down the intricacies and the processes that are involved that have made this agreement work in the first place.

The government has to be fair to its own country, its own persons and its own industries and producers and manufacturers, by saying that in the event there is unfairness to Canadians, the government will have legislation which will protect the interests of Canadians to make it fair.

With respect to equity, we need an amendment in Bill C–57 which is equitable for everybody. We cannot insist on other countries doing what we are doing, but with respect to these amendments, we can inject some equity into the system.

I end my remarks by responding to a comment that was made by a Reform member a few moments ago. He talked about how this Bill C–57, without amendment, would ensure that we have a free trade agreement. I have a book here written by John Ralston Saul called *The Doubter's Companion*. It is a dictionary of aggressive common sense. It defines the word free as the most over used term in modern politics, evoked by everyone to mean anything.

Samuel Johnson once spoke of patriotism as the last refuge of scoundrels. Evocations of what is free and of freedom have now overtaken patriotism. This has led to a limitless series of oxymorons which have somehow become respectable: Free air miles, free trade, the twinning of free men and free markets when history demonstrates clearly that free markets do best under sophisticated dictatorships and chafe under limitations imposed by democracy. Another oxymoron with respect to the

word free is not only free trade but free love, free glasses at gas stations, free offers, and in general a free ride.

Of course parliamentarians here may be more aware of the oxymoron that we see almost firsthand in some of the actions we are taking as a Parliament now to rebuild our country after nine years of Conservative rule. The most widely used oxymoron in the entire country is Progressive Conservative. It does not make any sense. They are two opposites.

The problem with this word free is that it has two contradictory meanings, as Mr. Saul goes on to say. One refers to political freedom, or liberty, and has an ethical value; the other refers to an imaginary state of being in which there is no effort and no cost. Freedom is thus confused with the gambler's idea that you can get something for nothing, and that is why Johnson's scoundrels are attracted to it. I maintain that Bill C–57 as proposed, without amendment, will injure Canadians and industry. That is why New Democrats are putting forward these amendments, to ensure that Canadians' interests are protected at the international level so we can continue to build a strong country from sea to sea.

• (1315)

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, my colleagues in the NDP sound like a broken record attacking the Americans and requesting that we do the same things the Americans are doing. It reminds me of somebody who cannot go to bed at night for worrying that someone else might be having a good time.

The bill before us deals specifically with an agreement that was reached by 123 countries around the globe, nothing more, nothing less. The provinces have been consulted on the matter throughout the debate on the agreement, for the past six and a half years.

I do not understand the NDP members. The premier of the NDP government in Ontario just came back from a trip to China. He supports the notion of the World Trade Organization and the GATT implementing legislation. The NDP premier from B.C. was on the same trip. He came back very happy and very excited about the notion of opening new markets around the globe.

I do not know what the problem is with my colleagues in the NDP. Every time we use the word free, they jump.

For Canada, which has the largest and longest border of almost any country on the globe, trade is very important. Trade means jobs. For every $1 billion in trade at least 9,000 to 10,000 jobs are created. The NDP should be grateful that we have a government that cares, that we have a Prime Minister who cares. He led one of the largest business delegations in the history of Canada and came back with some good results.

I suggest that my colleagues from the NDP stand up and congratulate the Prime Minister and the government for a job well done. For the first time ever in the history of the country we had a united team that went on a mission in order to promote Canada's interest.

We would recommend the rejection of Motion No. 4 as proposed by my colleague from the New Democratic Party for the following reasons. The agreement does not require such a study as is proposed. The government already has such authority in any event. Therefore the amendment is unnecessary and redundant.

Furthermore a report entitled "Impact of the GATT Agreement on Canadian Agriculture and Agri–Food" was released on June 22, 1994. This report prepared jointly by provincial and federal agriculture officials examined the effect of the Uruguay round on all agriculture sectors, including the Canadian milk marketing system. The report concluded that the effect of the Uruguay round on the dairy industry will be minimal. There will be no domestic price impact over the transition period on industrial milk. Production may decline 0 to 2 per cent by the year 2000 as a result of new minimum access commitment for butter.

For the same reasons we are recommending rejection of Motion No. 5. This amendment mandates a very specific and onerous reporting requirement that would have important resource implications.

• (1320)

The information on the activities of the World Trade Organization mandated in paragraph 12.1(a) to (d) is contained in the GATT annual report. The minister could undertake to table the World Trade Organization annual report in the House if it is necessary.

For the reasons I listed we are recommending that Motions Nos. 4 and 5 be rejected.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I too welcome this opportunity to speak on the two motions put forth by our hon. colleague from The Battlefords—Meadow Lake. On Motion No. 4, to subject the effects of the agreement on the milk marketing system to parliamentary review, I would just like to remind our colleagues from the New Democratic Party that we presented a motion this morning, Motion No. 2, in which reference was made to a report to be laid before the House of Commons each year, concerning, in a more general sense, the implementation of the Uruguay Round Agreement by our major partners, especially the United States.

I have the feeling that Motion No. 4 goes somewhat along the same lines, yet has a much narrower scope than Motion No. 2 that we presented this morning. Motion No. 4 stresses the importance of parliamentary review and, in that sense, I think that we can support, endorse this position, although, as I said earlier, the motion we tabled this morning, on which recorded division will be taken later on, has a much broader scope, while at the same time addressing our colleagues' concerns, concerns that are evident from Motion No. 4.

Let me remind you that—and I think it is important to mention this, for the benefit of our colleagues from the government party of course, who gave us the impression this morning of being opposed our motion to amend No. 2—it is important to bear in mind that Motion No. 2 which we presented this morning had been suggested to us by the Union des producteurs agricoles and the Canadian Federation of Agriculture at one of the public hearings held by the Standing Committee on Foreign Affairs and International Trade.

Both organizations testified before the Standing Committee on Foreign Affairs and International Trade to ask that Bill C–57 include a provision requiring that a report be tabled each year on the implementation of the agreement in Canada, of course, but also by our major trading partners. Such a provision was part of the proposal we put forth this morning.

Despite the expectations expressed by the Quebec farmers' union and the Canadian Federation of Agriculture, the government party apparently decided to oppose this proposed amendment. I therefore urge our colleagues from the New Democratic Party to strongly support this proposed amendment, which is consistent with what they are proposing in Motion No. 4 but whose scope is much broader.

As for Motion No. 5, which is aimed at ensuring in a way that the World Trade Organization operates in an open manner and that the Canadian government publishes studies on the implementation of the agreement, we always come back to this aspect of the problem: we think that Canada does not have to conform to provisions 12.1 (*a*) through (*d*). In our opinion, Canada must insist that the World Trade Organization should produce a comprehensive and relevant annual report.

However—this is always a problem we have with the broad motions proposed by our colleagues from the New Democratic Party since this morning—we clearly are in complete agreement with some of the paragraphs, namely (*e*), (*f*) and (*g*).

• (1325)

These paragraphs provide for consultations with the provinces provisions, under the Agreement, that affect areas of exclusive provincial jurisdiction. It is very important to point out that the federal government, which claims to believe in co–operative federalism, must not hesitate to include in the agreement specific provisions calling for consultations with the provinces on issues of particular interest to them.

The parliamentary secretary said earlier: Yes, but we did consult with the provinces. If so, why are they so reluctant to put in the bill a provision specifically requiring such consultation with the provinces? In no way would it make the process more cumbersome. Despite what he said, it would not give the provinces a veto. It would simply give the provinces an opportunity to convey their concerns to the federal government on issues that concern them. I think that is quite legitimate.

That being said, of course paragraphs (e), (f) and (g) of Motion No. 5 now before us refer to this taking into consideration of provincial jurisdiction and of particular concerns of the provinces.

If these paragraphs were separate from the rest of the amendment, we could vote for such an amendment, but given paragraphs 12.1(a) to (d), which we believe are wrong for Canada, we must oppose this amendment, again, with regret.

As for 12.1(h), we find it totally unacceptable because we do not really see how it could be applied right now.

I think that it is also important to say something about clause 12.2. Of course, we agree with the principle behind this clause, namely periodic review, but that being said, we would not want people to think that we on this side of the House have cold feet or are afraid of international trade agreements. For this reason, we could not legitimately give our full and complete support to that clause.

In view of what I just said, and although we could very well have agreed to paragraphs 12.1(e), (f) and (g) without any problem, we must oppose this amendment.

[*English*]

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I rise to speak in opposition to Motion No. 4.

Why single out milk marketing? Dozens if not hundreds of industry groups would like to have government fund their studies. In fact we are dealing with Motion No. 5 here as well as the two tie together.

Motion No. 5 asks for an annual report from the World Trade Organization. Those reports already exist under GATT. In a moment I want to read an article in today's *Globe and Mail* that deals specifically with the biannual reports from the GATT.

These reports exist. The minister can be asked to table them in the House. Why cause extra work? It is more bureaucracy. It is something that the NDP sort of like, I understand.

I want to read a quote from today's *Globe and Mail* regarding Canada's involvement in the GATT. It states: "Canada's trade policy and practices receive generally high marks from the members at the GATT council during a two day discussion of a biannual report but the council criticized Canada's tariff system and interprovincial trade barriers".

The party that wants to have a review of the milk marketing board might be quite surprised with the outcome.

• (1330)

Members opposite would be well advised to listen. The people at the GATT meeting today are the people who are making the report reviewing Canada's interprovincial trade barriers and our present milk marketing system. They are saying that the council criticized the complexity of Canada's tariff system and questioned the exceedingly high tariff rate quotas in the agriculture sector—and they are referring specifically to supply management—with an average of 205 per cent which will only go down to 174 per cent in the year 2000.

They are critical of this. I am quite surprised they are asking for a review because a review would not be very kind to the supply management sector. It is an area that Canada is very weak in. Our position is that we have taken a minimum reduction in tariff in the supply management sector of 15 per cent. I think it is recognized worldwide that we have a problem that has to be cleaned up. If we talk about free trade, let us practise it here at home.

In addition, members talk about the need to clean up interprovincial trade barriers. The three provincial governments in the country with NDP governments are the ones that are co–operating the very least in trying to get Canada's house in order in terms of cleaning up our problems at home, the trade barriers.

We have more barriers to trade internally in Canada than in all the European Union. That is a disgrace. How can we compete internationally when we cannot even compete at home? Let them put their money where their mouths are and co–operate to try to get trade barriers reduced internally to give our businesses a chance to compete without one hand being tied behind their backs. Let us put Canada on the same level nationally as we do internationally in these trade agreements.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The 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 (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 4 negatived.)

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

Some hon. members: On division.

(Motion No. 5 negatived.)

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ) moved:

Motion No. 8

That Bill C–57, in Clause 58, be amended by replacing lines 4 to 8, on page 25, with the following:

"(a) to fix the performer's performance in any existing or future medium by means of which sounds may be reproduced,"

He said: Mr. Speaker, as you know, Bill C–57 amends some 30 Canadian acts, including the Copyright Act.

We must first point out the archaic character of the Copyright Act. Bill C–57, An Act to implement the Agreement Establishing the World Trade Organization, includes a few amendments to the Canadian Copyright Act.

Among those changes, the one in clause 58 illustrates the archaic character of this act which is meant to protect creative artists and performers.

• (1335)

Indeed, Clause 58(a) gives a performer the sole right "to fix the performer's performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced".

The wording of this change takes us back to the days of mechanical pianos. How, in 1994, can the government amend the Copyright Act and completely ignore the technological progress of the last few decades? This certainly does not make the government look like it is aware of the future challenges that await us. Yet, the government received numerous reminders.

I want to quote a few paragraphs from the brief submitted by the Union des artistes to the Standing Committee of Foreign Affairs and International Trade:

> For almost eight years now, the Union des artistes and the Coalition of Creators and Copyright Owners have been asking for the rights regarding the fixation, the reproduction and the communication to the public of their performances in musical, literary, dramatic and choreographic works, known as neighbouring rights. Meanwhile, Bill C–57 recognizes the exclusive right of our people to fix the performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced. If Canada recognizes, in 1994, our exclusive right to the fixation of a sound performance by means of a perforated roll, how long will we have to wait for the recognition of our rights on performances fixed or reproduced by using optical discs, compact discs like CD–ROMs and other modern supports?

Clause 58 of Bill C–57 is not only totally disconnected from today's reality: It also creates a great danger for the future.

This government does not seem to realize that when Canada signs a commercial treaty such as the one resulting from the Uruguay Round of negotiations, it waives part of its sovereignty. This is true not only in the case of trade agreements, but also in the defence sector. Just think of the North Atlantic Treaty or NORAD.

So, it is essential for the government to recognize that section 58 limits its own future jurisdiction and that every measure must be taken, now and in the future, to minimize any negative impact.

We fear that, as soon as it is passed, this bill could in fact limit the performers' rights to the only rights recognized in this bill. This leads one to fear that restrictions set here and there in commercial agreements could be seen as absolute restrictions when the time comes to review our own national legislation in this area. This is why our amendment is crucial.

Members will recall that the Uruguay Round Agreement only dates back to December 15, 1994. When the government introduced Bill C–57, the Parliamentary Secretary to the minister of International Trade admitted that only 13 of the hundred or so countries which signed the agreement had already introduced their implementation legislation.

Since this bill was introduced, the race has begun. The Standing Committee on Foreign Affairs and International Trade is in a hurry. The number of witnesses has been limited and committee members are rushed off their feet. We have to cut corners, because an international agreement was signed.

Let us draw a parallel between the position of the Liberal and Conservative governments concerning the protection of the creative and performing artists' rights.

I would like to quote from the brief submitted by the Union des artistes:

> The Berne Convention for the Protection of Literary and Artistic Works was concluded in 1886. Canada's Copyright Act, which was passed in 1926, forty years later, was not reviewed by Parliament until 1988.
>
> As for the Rome Copyright Convention on the protection of performing artists, producers of recordings and broadcasting agencies, it was concluded in 1961 and is already obsolete because it applies only to sound productions.
>
> Thirty–three years later, Canada has yet to sign the convention and adjust its own legislation to meet the minimum provisions of the convention. As a result, Canada, which takes pride in being one of the most progressive countries in the world, lags far behind in defending and promoting the interests of its creative artists.
>
> Germany, France and Japan all signed the Rome Convention. In addition, these fellow members of the G–7 group, realized it was important to adjust their respective legislations to the current realities of artistic creation. Germany and France have passed legislation dealing with neighbouring rights. They also recognized the need for royalties on private copies, which is the case in Japan.
>
> Meanwhile, Canada is proceeding in a haphazard way, through its legislation to implement trade treaties, to change its own copyright legislation.

● (1340)

That is not the only paradox. I have another example. On November 14, Liberal majority members tabled in this House the report of the Special Joint Committee Reviewing Canadian Foreign Policy. Against the wishes of the Official Opposition, majority members made culture, a jurisdiction shared by the federal government and the provinces, the flagship of foreign policy. How can the government claim that culture, the result of the work of performing artists and creators, is central to its foreign policy, when it refuses to do what is necessary to promote and protect the work of those who create culture?

The cultural sector is an important one. The present government's failure to proceed with its review of the Copyright Act can only be explained by its failure to recognize a basic fact of our economic life. The government seems to be ignorant of the fact that in 1991, the cultural sector was responsible for jobs employing more than 300,000 Canadians and Quebecers, putting it ahead of the forestry, mining and insurance sectors in this respect.

It is almost miraculous that the cultural sector should play such an important role in our economy, no thanks to the federal government's reluctance to invest in this sector, which may have serious consequences. According to the Union des artistes, and I quote: "This minimalist and timid approach may jeopardize creative activity in this country. At a time when digital conversion has removed former distinctions between sound and audio–visual productions, at a time when direct broadcast satellites and the information highway are about to redefine the relationship between the consumer, the user and artistic productions, Canada still protects its creators and defends its culture by

means of incidental measures consequential on its ratification of international trade treaties".

This questionable approach on the part of the government can only be explained by the tremendous impact of lobbying by big producers and broadcasters. I would urge hon. members to vote in favour of this motion presented by the Official Opposition, whose purpose is simply to provide a minimum amount of protection for our performing artists and creators. Remember that this class of cultural workers has an average income of less than $10,000!

Remember also that our creators and performing artists need financial independence. They need freedom and pride to continue to work at their art. The dignity of work, a favourite phrase of the Prime Minister, should also apply to this class of Canadians and Quebecers. We must also protect the integrity of the work done by our creative artists. The Copyright Act must be improved, but meanwhile, we could make do with the amendment I am proposing to Bill C–57, and I would ask hon. members to support that amendment.

Mr. Bergeron: Mr. Speaker, on a point of order. We are not surprised that our colleagues in the governing party have difficulty understanding our arguments and our amendments, since once again, I submit to you that we do not have a quorum.

And the count having been taken:

[*English*]

The Acting Speaker (Mr. Kilger): We now have quorum and are resuming debate on Motion No. 8.

• (1345)

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, it is my pleasure to speak once again on the amendments to Bill C–57. Before getting into my specific remarks on this motion I want to say a couple of things.

The Parliamentary Secretary to the Minister for International Trade in his remarks earlier on this bill made some inference that the New Democratic Party provincial governments across this country were not in favour of trading with other nations. I want to correct the record.

I want to inform the parliamentary secretary that coming from Saskatchewan as I do, I know firsthand how important trade is to the farmers of Saskatchewan, the potash producers of Saskatchewan, the steel producers of Saskatchewan, the uranium miners of Saskatchewan and all the other people in our province who rely quite heavily on trade, including those who produce natural gas, oil, coal and other resources. The New Democratic Party government of Roy Romanow is not only on record supporting trade, but has instituted very aggressive trading policies with other nations with respect to the resources of Canada and the resources of Saskatchewan.

I am sure the parliamentary secretary made an oversight or had a sudden collapse of memory when he made reference to NDP governments and their support of trade. I am sure he would want to stand and correct that at some point after my remarks.

Mr. Harb: Mr. Speaker, on a point of order, precisely what I said is that the NDP government in Ontario—

The Acting Speaker (Mr. Kilger): Order. Clearly, that is not a point of order. I concede it may be a matter of great debate for the House but we are seized with Motion No. 8.

Mr. Solomon: Mr. Speaker, I am somewhat puzzled to see that not only does the parliamentary secretary not have a great deal of knowledge about Saskatchewan and its many resources, but he does not seem to have a great deal of knowledge of the rules of the House either.

I will continue my preface by saying that the New Democratic Party government in Saskatchewan has been leading in many areas. For example, Allan Blakeney's NDP government from 1971 to 1982 had 11 consecutive balanced budgets, the only provincial government or jurisdiction in this country to do so. As a matter of fact that government was the last one to have a provincial balanced budget. The only reason it did not continue on was that in 1982 a Conservative government under Grant Devine was elected, supported by the Liberals. It proceeded to almost bankrupt the province in the nine years that followed.

At the same time as those balanced budgets we also had a prescription drug plan for all of our citizens. We had a dental plan for all of our children 18 years of age and under. We also had the lowest provincial tax regime in the entire nation.

I know the parliamentary secretary is salivating at this information. He is becoming quite educated with respect to Saskatchewan now that he has had the correct information put before him. I am sure he will look forward to visiting our province some day and meeting with Premier Romanow, who by the way was elected in 1991 after nine years of Conservative government. With respect to Bill C–57, I can assure the House that he has concerns as we do in this caucus with respect to these amendments.

Since 1991 we have undertaken to go from a $1 billion annual deficit to the point where now after three years we are on the verge of being the first jurisdiction provincially or federally in Canada to introduce a balanced budget. I want members of this House to know that. That is under an NDP government.

The second point I want to make is in relation to the Reform member from Peace River. He made some comment about Bill C–57 and the amendments thereto and how he supports Bill C–57, which does not protect the interests of Canadians. He believes it should proceed because he believes in competition.

John Ralston Saul is the author of *The Doubter's Companion*, a book which members should pay some attention to. It is a dictionary of aggressive common sense in which Reformers are very interested. He defines competition as an event in which there are more losers than winners. Otherwise, it is not a competition.

• (1350)

A society based on competition is therefore primarily a society of losers. Competition is of course a very good thing, he says. We cannot live in a complex society without it. On the other hand, if the principal relationship between citizens is based on competition what has society and for that matter, civilization been reduced to?

The purpose of competition is to establish which is the best. The best may be defined as any number of things: the fastest, the cheapest, the largest quantities. It may even be the highest quality. Unfortunately the more competition is unleashed the more it tends to eliminate quality as something too complex to be competitive.

Finally he says that the point of competition, if it is left to set its own standards is that only the winners benefit. This is as true in economics as it is in sport. A society which treats competition as a religious value will gradually reduce most of the population to the role of spectators.

Democracy is impossible in such a situation and so is middle class stability. That is why the return to increasingly unregulated competition over the last two decades has led to growing instability and an increasing gap between an ever richer elite and an ever larger poor population.

In final summary, competition in a middle class society must include the cost of middle class infrastructure. Hundreds of other factors create hundreds of other levels of competition. That is why in serious competition such as hockey or football there are strict regulations controlling time, movement, numbers, dress and language. Unregulated competition is a naive metaphor for anarchy.

What I want to say, thanks to Mr. Saul, is that the Reform Party wants competition in its purest form. If we have competition in its purest form, which I am not opposed to in a purest form society, we will have in essence anarchy. That is why we have Bill C–57 which establishes in continuity with the WTO some regulations on the playing field we are operating on on this globe.

I am saying that the government has to ensure that the playing field rules have fairness, equity and justice for Canadians as other countries are undertaking to provide for their own citizens.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I just want to support my colleague from Louis–Hébert, who made an excellent speech. He explained very well his reasons for presenting this motion, which requires considering not only products made in the past but also those to come in the future. I find it rather strange that the government did not consider what may be coming down the road.

We know that technology is changing very rapidly and I do not see how the government overlooked this item. Fortunately, the parliamentary secretary is not looking at me any more, but he should be here to listen to me because it is quite important for him to hear—

The Acting Speaker (Mr. Kilger): Order. I appreciate the long experience which the member for Longueuil has, but I want to remind him that we must not comment on the absence of anyone in this House. I will therefore ask the member to stick to his speech.

Mr. Leblanc (Longueuil): Mr. Speaker, you are quite right. It was so important for me that I could not help saying it.

As you know, technology is changing very fast. The compact disks which we see today, that have just come on the market, may be obsolete in a year or two or three. If we do not consider future products, we are likely to have big problems.

For example, some experts say that technology will develop more quickly in the next ten years than it did in the past fifty. Just imagine how many products and machines will be invented. All kinds of inventions will be made just in the next ten years. So I think it would be a serious mistake not to recognize the motion from the member for Louis–Hébert, which says that future products must also be considered.

• (1355)

That is why I wanted to reinforce the very good explanation given by the member for Louis–Hébert, but I still hope that the members here in this Chamber will inform those outside that this motion is really important.

I repeat, it is Motion No. 8, which says that future products and not just present products must be considered. I know that the hon. member near me has understood very well what I just said and that he will hasten to repeat it to his Liberal friends so that this motion passes, because I think it is very important for the future.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, Bill C–57 to implement the agreement establishing the World Trade Organization includes approximately 20 clauses dealing with copyright. Most of these clauses are designed to ensure that the

Canadian Copyright Act is in conformity with the Trade Related Aspects of International Property Right, the document that sets the WTO copyright rules.

On the whole, as necessary as they may be, these are nonetheless minor changes. They do however put into perspective the resistance to change and indifference of the Canadian government in terms of intellectual property, as evidenced by Clause 58, lines 5 to 8, on page 25 of Bill C–57. This clause establishes a new right, namely that of authorizing without consent the fixation and reproduction of the performer's performance. The wording of this provision is prima facie proof of how deeply anachronistic and antiquated the Canadian Copyright Act.

In poetic terms, one could say that in the beginning, there were the natural sounds of the elements: the crash of the sea, the whistling wind, the murmuring breeze, the rumble of falling rocks and the crackling of the fire. Then came the natural sounds of human and animal communication: bird songs, monkey grunts, a child's cry, the murmur of love, the African tam–tam. Less than a century ago, all sounds had to be heard live.

Through an evolutionary and creative process, the air is now filled with sounds recorded on records, tapes, CDs, videos, CD–ROMs. Unfortunately, it would seem that the Canadian Copyright Act remains frozen in time, around 1878 to be more precise, the year that Thomas Edison invented perforated roll recording.

Clause 58 of Bill C–57 is a clear, not to say glaring, example. It reads: "to fix the performer's performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced—"

When he invented the phonograph, Thomas Edison thought that sounds could be fixed permanently to be reproduced.

The Speaker: Dear colleague, you can continue after Question Period.

It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

LAST MOUNTAIN LAKE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, in September an agreement was signed by the Government of Canada, Saskatchewan Wetlands Conservation Corporation, Ducks Unlimited Canada and Wetlands for the Americas to work with one another and other organizations and individuals. They will maintain and enhance the Last Mountain Lake Western Hemisphere Shorebird Reserve Network Regional Site as a critical habitat for shorebirds.

Last Mountain Lake is the 25th site to be dedicated as a shorebird reserve in the western hemisphere and the third site in Canada. The two other sites are the Bay of Fundy in Atlantic Canada and Quill Lakes, Saskatchewan.

This action will contribute to the maintenance of the hemisphere's biological diversity and further educate people of the internationally significant natural resources Canada possesses to protect for future generations.

* * *

[*Translation*]

SITUATION IN BOSNIA

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, 55 Canadian peacekeepers are now surrounded by Serb rebel forces in Bosnia. It is not the first time Canadian troops find themselves in a difficult situation because of hostile acts by fighters in the former Yugoslavia.

Nevertheless, the illegal actions of Serb forces against international peacekeeping forces in Bosnia worry all Quebecers and Canadians. The Bosnian population is literally torn apart by the fighting that goes on, but it could suffer even more this winter without the presence of the peacekeepers.

Our soldiers are carrying out their humanitarian duties in the former Yugoslavia with courage and dignity, and the members of the Bloc Quebecois are very proud of them. The federal government and the international community must continue to provide them with all the support they deserve.

* * *

[*English*]

"KEEP MINING IN CANADA" CONTEST

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I would like to congratulate Sara McMillan of Fort McMurray for winning first prize in the eight year old and under category in the Keep Mining in Canada poster contest which was sponsored by the Canadian Institute of Mining and Metallurgy.

Sara's poster was entered by Syncrude Canada in my riding and was competing against posters from across Canada. Sara is in the gallery today along with her sister, mom, dad and grandmother.

I would like to ask my colleagues to join with me in congratulating Sara for winning such a prestigious award.

Some hon. members: Hear, hear.

S. O. 31

CHILD POVERTY

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, Campaign 2000 released disturbing statistics today. The number of poor children in Canada has increased to almost 1.3 million, an increase of 35 per cent since 1989. Campaign 2000 is a partnership of 51 organizations across Canada dedicated to promoting support for the all–party House of Commons resolution to eradicate child poverty by the year 2000.

Campaign 2000 reports that Canadian children today are more likely to be poor, to be dependent on social assistance, to use a food bank and to live in families where parents are unemployed.

As a society we must no longer tolerate this horrible plight faced by many Canadian children. As members of Parliament we must tackle the problem of child poverty.

I urge the Minister of Finance and the Minister of Human Resources Development to allocate more resources toward improving the dismal situation of child poverty. We must not sacrifice future generations in our attempts to reduce the debts of current generations.

* * *

GOVERNOR GENERAL

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I rise in the House to join with my colleagues in extending sincere congratulations to Romeo LeBlanc on his appointment as Governor General of Canada.

As a New Brunswicker and an Atlantic Canadian I must admit I am very proud of this appointment. I congratulate the Prime Minister on this wise and popular choice. Romeo LeBlanc is well respected in his home province of New Brunswick, in Atlantic Canada and indeed in all of Canada.

Romeo LeBlanc's appointment as the first Governor General from Atlantic Canada demonstrates the high esteem the government has for Atlantic Canadians and goes a long way in dispelling the many slurs recently heard against Atlantic Canadians.

I congratulate Romeo LeBlanc and the entire LeBlanc family on this very happy occasion.

* * *

IMMIGRATION

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, I rise out of concern with the continued attempts by members of the Reform Party to portray immigrants and refugees as criminals.

• (1405)

As reported in a recent article in the *Montreal Gazette*, "A Reform MP asserted that almost 25 per cent of refugee claimants have criminal records, when in fact all reliable figures place the rate at less than 2 per cent".

By making statements like these, Reform members not only imply an inability to grasp the concept of decimal points but also imply an overzealous desire to paint refugees in a negative manner regardless of the facts.

It is disappointing that neither the member concerned nor his party has come clean and apologized for their mistake. In the name of integrity and honesty, I ask the leader of the Reform Party to apologize to the House for misleading Canadians.

* * *

[*Translation*]

POST–SECONDARY EDUCATION

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, the Liberal government is stepping up its attack on our higher education system, under the pretext of reducing government spending.

After trying to dismantle the Royal Military College in Saint–Jean, the government is now going after universities in Quebec and Canada. In this regard, the Quebec federation of university professors is concerned about social reform trends affecting the financing of post–secondary education.

The Minister of Human Resources Development is trying to make the people believe that his reform will benefit learning. On the contrary, the minister is sabotaging higher education at a time when, in an increasingly competitive international market, economic competitiveness clearly depends on the quality of human resources.

* * *

[*English*]

ELECTRONIC DEMOCRACY '94

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, next Monday and Tuesday a conference entitled Electronic Democracy '94 will be taking place in Toronto. You must have noticed that every time Reform Party members mention electronic democracy or initiative or referendum or recall, Liberal members enthusiastically demonstrate their opposition to such radical ideas.

It seems they have a redneck in their midst. The guest speaker with top billing at the conference next Monday and Tuesday is none other than the junior minister of science and technology. A sudden convert to real democracy, perhaps the member for

Portage—Interlake now realizes that the way the government ignores the will of the people is going to have to change to keep pace with the information age.

We clearly have a long way to go before all government members catch up with the times because so many of them are set in their ways. However, I am extremely pleased that the more forward thinking members among them have finally realized there is a need to reform our democracy.

* * *

VIOLENCE AGAINST WOMEN

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, fair and just treatment of all members of society is a cornerstone of a compassionate nation. In particular the House will agree with me that wife abuse should not and cannot be condoned in any form.

A victim of wife abuse should not be penalized further, as is the case of my constituent June Ann Sullivan Robinson. She has been ordered to leave Canada because her husband has withdrawn his sponsorship as a result of her complaints of wife abuse over a period of three years. He has since been convicted.

Ms. Robinson is a self–supporting woman with strong family ties in Canada. Her request to immigration officials to continue processing her application under humanitarian and compassionate grounds has been denied.

I am very concerned about the precedent set by this ruling. It sends a message that wife abuse is fair game for a sponsoring husband. I urge the minister to reconsider this policy in view of its far–reaching consequences.

* * *

JIM ASHTON

Mr. Joe Fontana (London East, Lib.): Mr. Speaker, I would like to pay tribute to a great Londoner, Jim Ashton, who passed away suddenly on October 25, 1994. His contribution to the city of London was immense for such a short life.

Jim became a member of the United Auto Workers in 1974 and in September of 1985 became president of CAW Local 27. Jim Ashton was elected president of the London Labour Council in October of 1988 and was re–elected to that position just prior to his death.

He was more than a union leader. He was a community and social activist who spoke his mind and stood his ground. He is survived by his wife Lucy and daughters Amanda, Jessica and Tanya, and his sister Susan Ashton of London.

He will truly be missed by all of us but his memory and contribution to the city of London will live forever.

• (1410)

FRANK MCKECHNIE

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, it is a pleasure and a privilege to rise in the House today to acknowledge the contribution to municipal politics of one of my constituents, Mr. Frank McKechnie, who has the distinction of being one of the longest serving municipal councillors in Canada.

Mr. McKechnie has been elected by the voters of ward 5 a total of 16 times and has been a councillor for over 36 years. His service to Mississauga has been outstanding and his continued success at the polls illustrates the affection of his constituents and the trust placed in him.

I salute the continued electoral success of Mr. McKechnie and commend him on his service to Mississauga.

* * *

[*Translation*]

THE HONOURABLE ROMEO LEBLANC

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, I want to congratulate, on my behalf and on behalf of the residents of Madawaska—Victoria, the Honourable Roméo LeBlanc, who will become our new governor general in February. There is no doubt that Mr. LeBlanc is very qualified for the position.

He has always worked with dedication for a united and prosperous Canada. Mr. LeBlanc's appointment is an honour for the Atlantic provinces, for New Brunswick and for all Acadians and French–speaking Canadians. It is the first time that the governor general is a native of Atlantic Canada.

After 127 years of Canadian history, after the deportations of 1755, we are truly pleased, in this year of the World Congress of Acadians, by this historic appointment. This is the crowning achievement of the long and perilous road already covered and still to cover.

I wish the best of success to the Honourable Roméo LeBlanc in his role as governor general. I also want to thank the Prime Minister, the Right Honourable Jean Chrétien, for making an excellent choice.

* * *

NATIONAL DEFENCE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, a second army doctor, Major Lee Jewer, has also stated that Canadian military authorities ordered the photos of Somalis beaten and tortured by Canadian peacekeepers to be destroyed. This confirms the statement made by Major Murray Armstrong

to the effect that military authorities had indeed ordered the destruction of incriminating evidence.

These new revelations demonstrate once again that the government must appoint, as soon as possible, a real commission of inquiry. If the Minister of National Defence really wants to shed light on the behaviour of Canadian military personnel in Somalia, he must take such action as quickly as possible, rather than wait for the conclusion of the current judicial proceedings. If this is not done, some important evidence will be missing, including incriminating photos, the existence of which is known.

The minister must reconsider his decision.

* * *

[*English*]

GOVERNMENT EXPENDITURES

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, during the election campaign, the Prime Minister waved around the red ink book and told Canadians that he had the plan. It is in fact the Reform Party that has the plan to deal with the country's deficit and debt.

In the presentation to the finance committee today, the Reform Party outlined $10 billion in specific expenditure reductions. This is the first phase of an updated zero in three plan to eliminate the deficit in three years. The presentation pointed out the absolute necessity of going beyond the government's 3 per cent target if we are to preserve Canada's fiscal integrity.

Unlike the government, whose fiscal plan will add $100 billion to the debt bringing the total to an astronomical figure of over $611 billion, the Reform Party's plan tackles the economic problems of the country in a responsible manner.

We have set out a clear time frame for eliminating the deficit and we challenge the government to do the same.

* * *

JUNIOR FOOTBALL CHAMPIONS

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I rise to acknowledge the accomplishments of the Regina Rams junior football team from Saskatchewan.

On November 11 the Regina Rams had a day to remember when they won their 12th national football championship against the St. Leonard Cougars in Montreal. It was their second consecutive Canadian junior football championship.

It came as no surprise to Regina fans to see their team win by a score of 52 to 6. The Rams lost only one of the 25 games they played this season.

Despite their excellent record, the Regina Rams Football Club is about more than winning. It teaches teamwork and gives to these young men an opportunity to develop confidence and maturity. I am proud of all these fine players.

I would also like to offer special congratulations to Coach Frank McCrystal for his leadership and to congratulate Darryl Leason, the offensive star player, and Randy Sorchensky, the defensive star player.

I ask all parliamentarians to join with me today to congratulate the Regina Rams on winning the Canadian Junior Football Championships.

* * *

• (1415)

[*Translation*]

SENATOR JEAN–ROBERT GAUTHIER

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, the Prime Minister is to be commended on his judicious appointment of Jean–Robert Gauthier to the Senate of Canada.

Mr. Gauthier faithfully served Canada and his constituents in Ottawa—Vanier for 22 years. For many years he championed the cause of Canada's francophone minority as well as that of other minorities, all of which are part of Canada's cultural mosaic.

I am sure that Senator Jean–Robert Gauthier will continue to serve Canada faithfully and with passion. I would ask all members on all sides of the House, and especially the hon. member for Rosemont, to join me in congratulating our senator and wishing him the very best in the Upper House.

* * *

[*English*]

BLOC QUEBECOIS

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I rise to challenge recent comments of the hon. leader of the Bloc Quebecois.

[*Translation*]

During the 1993 election, Bloc candidates said they would stay on as members of Parliament only up to the referendum. Yesterday, the Leader of the Bloc Quebecois said that the members of his party will stay even if the majority of Quebecers reject their party's mandate.

A member of the Parliament of Canada must realize that even if it is his duty to represent his riding, he must work for Canada first. Bloc members keep saying that Canada's institutions do not work.

If that is true—and it is not—why are they so determined to stay after a defeat in the referendum?

ORAL QUESTION PERIOD

[*Translation*]

SITUATION IN BOSNIA

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in retaliation for NATO air raids on their positions, the Serb forces have taken peacekeepers hostage, including 55 Canadians, in Visoko, all the while pursuing their offensive on the Muslim enclave of Bihac. In addition, some 1,200 peacekeepers under Canadian command are presently in a very vulnerable position as they find themselves besieged by Serb troops.

Can the Prime Minister bring us up to date on the situation of these Canadian peacekeepers being held hostage and the progress the UN is making in its negotiations with Serb authorities to have them released?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Leader of the Opposition gave a very accurate account of the situation. Fifty–five members of the Canadian Armed Forces are presently detained near Visoko, in an area under Bosnian Serb control.

I have been informed that they are well, thank goodness, and that negotiations are under way between the Serbs and the Canadian commanding officer. I hope that the situation will soon be resolved.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, will the minister confirm the statement made by Brigadier–General Ashton, to the effect that Canadian peacekeepers may not be released for another four or five days?

Are we to conclude that this is the way the Serb forces have found to finish off their offensive on Bihac without further disruption from NATO raids?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think that the Leader of the Opposition is quite correct in his analysis. I cannot say whether our troops will be released earlier than in four or five days. It is too early to tell.

[*English*]

It is somewhat premature to speculate on how long our soldiers will be detained. There is no question that it is tied in with the NATO air strikes. There is no question that there is an escalation of rhetoric and threat against UNPROFOR members in general but our personnel in particular. As I said a moment ago they are in good shape. There are negotiations going on between the Bosnian Serb authorities and the Canadian officers on the ground.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, will the minister indicate the position that Canada defended today at the NATO meeting, held in Brussels, regarding the advisability of new air strikes in order to discourage the Serbian forces from carrying out further attacks in Bihac? What are the risks that new raids would pose for the security of United Nations soldiers either held hostage or under siege?

• (1420)

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in a difficult situation like this one I do not think we should speculate about the effects of further air strikes.

NAC was in session today in Brussels. We were engaged in those discussions. We are now being debriefed on the outcome, as to whether or not there is any change in the position of NATO in consultation with the United Nations. As soon as we have further information we will inform the leaders of the other parties.

* * *

[*Translation*]

POST–SECONDARY EDUCATION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, the Quebec federation of university professors sounded an alarm about social program reform, which it called an unprecedented threat to Quebec's education system. The federation estimates that the reform will result in a $721–million shortfall of cash transfers and also tax points, through the abolition of Quebec's special abatement.

In order to alleviate the legitimate concerns of Quebec's entire academic community, does the Prime Minister promise not to unilaterally review the agreement with Quebec that was negotiated under the Lesage government, which provides for a transfer of tax points to finance post–secondary education in Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we want every interested group to express its views on reform. All the elements raised by the hon. member will be considered by the committee reviewing the matter. Committee members will, I hope, have a chance to study the comments made by academics so that the recommendations to the government, in their report, will take everybody's interests into account.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we note that the Prime Minister did not take the opportunity to reassure the academic community.

How can he justify his government's attack on post–secondary education when Canada's major challenge is to compete internationally with other industrialized countries by relying on increasingly well–educated people? How can he justify his position?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member should analyze the paper tabled by the Minister of Human Resources Development. He will realize that the government's intention is to find a way to make more money

available to universities. However, if people would rather maintain the status quo, we will consider that option.

But all members should be given the chance to analyze all relevant factors. The minister clearly intends to see how, in this era of budget constraints, we can find the extra money needed to allow more Canadians to take advantage of our excellent universities across the country.

* * *

[*English*]

FINANCE

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, today Reform members of the finance committee tabled a proposal for government spending and government spending cuts that totalled $9.4 billion, with the principles attached, all in areas of non–social program spending.

My question is for the Minister of State for Finance. When will the government be releasing for public discussion its own principles and proposals for dealing with federal public spending?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I thank the hon. member for finally seeing the Reform Party making some positive suggestions. I am delighted to see he has taken the advice of the Minister of Finance to make some positive suggestions.

We are very happy to consider those suggestions along with those of all other Canadians. I am delighted to see that the Reform Party has joined in the consultation process which it has criticized in the past. We will consider those suggestions along with those of everybody else.

If the Reform Party member does not realize it, the answer to his question is when we bring down the budget next February.

• (1425)

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, it is interesting. We have the finance committee travelling round the country. Virtually every group and organization has presented proposals for the federal budget. And after a year we still have no fiscal policy from the Government of Canada.

Since the Minister of Finance appeared before the committee a month ago and admitted that his budget projections were all wrong, the Canadian dollar has lost over a cent in international markets and interest rates have risen steadily as a consequence.

I have a supplementary question. Does the government have any proposal for dealing with the deteriorating financial situation other than raising interest rates?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, the suggestion that we have no fiscal policy runs counter to the statement of the hon. member for Capilano—Howe Sound who gave the finance minister a 90 per cent mark.

Of course the government has a fiscal policy. We had a fiscal policy of bringing the deficit down to 3 per cent of GDP. We had that before we were elected and we have that now. The Prime Minister has maintained it and the Minister of Finance has maintained it.

That is our policy and we will do that in the third year of our mandate.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the member for Capilano—Howe Sound gave the government good marks for realizing that all its fiscal assumptions during the campaign were wrong.

[*Translation*]

My supplementary question is for the same minister. The reason for the lack of confidence in the financial market is clearly the government's fiscal policy.

Does the minister admit that the goal of reducing the deficit to 3 per cent of GNP is completely inadequate in a period of economic growth?

[*English*]

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, we have never said that our target of 3 per cent of GDP in the third year of our mandate was a final result. We have said that is an interim target on the way to a balanced budget.

It is an interim target. It is achievable and we intend to get to that target of 3 per cent.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Prime Minister.

The Minister of Human Resources Development said yesterday that the technical papers on social program reform which he has tabled in recent weeks answer the concerns expressed by the Auditor General in his report. Nevertheless, at a press conference two days ago, the Auditor General said that several issues are outstanding, even though these additional documents have been presented:

[*English*]

Some information has already been published on that. I think there is a lack of credible evaluation of the effect or the results produced by those programs so far.

[*Translation*]

Can the Prime Minister tell us what he intends to do to answer the Auditor General's concerns about the incompleteness of the information which has been made public?

[*English*]

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, the committee has been travelling across the country as that is happening and undertaking the social security reform exercise.

There have been a number of technical papers put forward. Those papers have provided information that is very important to the way in which the social security reform is undertaken.

In relation to that also we have been listening to Canadians across the country through the committee. They have let us know what the effects have been on their lives and their communities. We are very sensitive to that and that will be integrated into the direction the government takes on the overall reform.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, only four of the nine technical papers on social program reform have been tabled to date, a few weeks before the consultation ends.

The Speaker: I would ask the hon. member to please not use accessories.

Mrs. Lalonde: Does the Prime Minister not agree that the consultation is thus being rushed because the only purpose of the reform is in fact to lower the federal deficit, despite what the finance minister said about social programs not being the cause of the deficit or the debt?

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am glad to see the opposition accuse us of going too fast with the reforms, and to see that it would rather maintain the status quo for all programs in Canada.

Mrs. Tremblay: That is false!

Mr. Bergeron: You have misunderstood! You are not listening!

Mr. Chrétien (Saint–Maurice): Mr. Speaker, I understood that we are going too fast, that we are too efficient, that we want to make changes, that we do not want the status quo, that we want to give the dignity of work to all citizens while the opposition prefers to maintain the status quo. The people of Quebec know very well that we want to see changes in Canada, while the members opposite are satisfied with the status quo. Very well!

[*English*]

BOSNIA

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Serbs have said: "If you hit us, this means all out war". Meanwhile 200 peacekeepers are being detained, including 55 Canadian troops. Clearly our peacekeepers are in imminent danger despite claims to the contrary. This is no longer a peacekeeping situation. Will the Minister of National Defence pull our troops out?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think we have answered some of these questions before. This is a very dangerous situation in Bosnia and Croatia. We knew the risks. We are doing our job there. We have no intention of pulling our forces out. We have said that we want to see the peace process through. We do believe the safety of our forces is paramount in the final analysis.

At this moment in time thankfully they are in good shape. Negotiations are under way and I have every hope this situation will be resolved shortly.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, just two months ago the minister will recall that he renewed the six month commitment. I would like to quote from page 6087 of the September 23, 1994 *Hansard*. The minister said: "if the situation on the ground changes or if the political or military situation calls into question the safety of Canadian troops or the usefulness of the UNPROFOR mandate". This is clearly happening. Will the minister show leadership today and pull our troops out of this situation?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we stand by the statement made in terms of re–engaging our forces. We are not in that kind of a situation. I would only caution the hon. member that it is better in difficult circumstances like this to work together. We should not make this a partisan issue, but should work together to assess and evaluate the situation.

This government will do nothing that will endanger the lives of Canadians serving a very noble cause for the United Nations.

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[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is for the Minister of Natural Resources.

The minister admitted in this House that she was not interested in how the Hibernia project was managed. However, the Auditor General is interested in the issue and says that the

government does not have any evaluation mechanism to determine Hibernia's profitability.

Will the minister confirm the information contained in the Auditor General's report to the effect that her department does not have any means to evaluate the Hibernia project, in which the government is investing billions of dollars?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me reassure the hon. member across the way that this government is indeed very interested in the overall management of the Hibernia project. What I stated was that we are not involved in the day to day management decisions, the operating decisions affecting the project.

I have read that which the Auditor General has said in his report. The hon. member knows that to be fair he should point out that the Auditor General indicates we have gone a very long way to put in place systems to ensure this project is managed appropriately and that the taxpayers' money is spent effectively.

Let me suggest to the hon. member that we will continue to improve the mechanisms we have in place to ensure the taxpayers' money is spent effectively.

• (1435)

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the minister is omitting the fact that this evaluation mechanism will only be in place once construction of Hibernia is completed. Talk about control!

In this period of budget constraints, how can the minister explain to Canadian and Quebec taxpayers that she is sinking three billion dollars into a project without having any way of evaluating its profitability?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me make it absolutely plain that the Government of Canada does have an evaluation mechanism. The Auditor General suggested that we improve it and we are doing that.

* * *

THE DEFICIT

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, my question is for the Prime Minister.

This government has been asking for spending cut recommendations. Mr. Parizeau recently said that Canada's system of equalization payments is too generous and saps the initiative of Quebecers. Why does the government not hit two birds with one stone: Reduce the deficit by $3 billion and simultaneously stop sapping the initiatives of Quebecers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the statements of the Premier of Quebec are very interesting.

Yes, we probably could study his suggestion that we cut on transfer payments of that nature. However I think he has not thought it through completely. I could hit two birds and two home runs at the same time but I think that for the good of Quebecers it is better to keep equalization payments in place.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the Auditor General in his report noted that welfare and UI create dependency and add to unemployment in Canada. Does the Prime Minister recognize the opportunities for budgetary savings which arise from these facts?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Long before the report of the Auditor General, Mr. Speaker, we decided to have a reform to do that, to make sure that these moneys are used to create opportunities and training.

The main goal is not to make money to reduce the deficit. If we can do it at the same time it would be perfect. The main goal is to use our money better and help people get training and get a job so that they will become productive. That is exactly what the Minister of Human Resources Development is doing at this time. I am delighted he will have the support of the hon. member.

* * *

[*Translation*]

CANADIAN NATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of Transport.

Pressed by the media, the president of CN, Mr. Paul Tellier, admitted yesterday during a press conference that three or four CN administrators enjoy the same benefits as he does, namely interest-free loans.

Since these interest-free loans are not mentioned in the annual information circular of the company, will the minister confirm the information given by Mr. Tellier, and will he tell us how many directors of CN enjoy this type of benefit, as well as the amount of taxpayers' money which is loaned in that fashion to these CN officers?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member is fully aware that yesterday we explained that the benefits granted to the CEO of CN and to its board of directors are an internal decision of the corporation. The salary is set by order in council.

As I suggested yesterday, the CEO of CN held a press conference and answered questions from the media, as I knew he would. If the hon. member has other questions, he should address them to the appropriate body, namely CN's board of directors.

• (1440)

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, does the minister not agree that any amount of money loaned to senior officials of CN or any Crown corporation accountable to his department should be declared, so that the shareholders of these corporations, namely Canadian taxpayers, are aware of such practices?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, there is no doubt that there are rules to be followed in this type of transaction. As I have indicated on a number of occasions, the arrangements between the president of CN and the board is one that is subject to the controls that are internal to a crown corporation.

The rules as I understand them are that if any loans are made in excess of salary they have to be declared. That was the basis of the legal advice the president referred to yesterday. I have indicated in this House before that it is very, very complicated when you get into loans and acquiring homes in defining what the rules are, as the leader of the government in Quebec well knows.

* * *

FISHERIES

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, last July, Canada arrested two U.S. fishing vessels fishing Icelandic scallops beyond our 200 mile limit. At that time Canada's actions were described by the United States spokesperson as illegal.

Can the Minister of Fisheries and Oceans tell the House what action has been taken to resolve this disagreement with our friends in the United States?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the member for St. John's East who has a powerful and passionate commitment to the livelihood of the fishermen of Newfoundland for raising this important question.

Yesterday the Government of Canada received a communication from the Government of the United States. It was by way of a diplomatic note in which the United States recognized fully and without reservation Canada's jurisdiction over Icelandic scallops both inside and outside the 200 mile limit.

NATIONAL DEFENCE

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, my question is for the Minister of National Defence.

Last week Major Barry Armstrong, a military doctor, released information indicating orders had been given to destroy certain photographic evidence. Last night Major Lee Jewer, another military doctor, confirmed that orders had indeed been given to destroy photographs showing a pattern of mistreatment of Somali civilians.

Has the minister asked Major Lee Jewer who issued the order to destroy potential evidence?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in view of the fact that we have announced an inquiry which will be open and which will be civilian, I do not think it is in the best interests of justice for me to join in these kinds of discussions.

I am concerned about the fact that another member of the Canadian Armed Forces has made a public statement without authorization. The hon. member should know that as a condition of service if individuals have something to communicate they communicate it through their superior.

I overlooked the rules last week because what Major Armstrong said was of such purport and seriousness that I believe he had the right as every Canadian citizen does to make this particular statement. Therefore, we called for an inquiry. We cannot have this matter tried on a daily basis in the newspapers, on television programs or here in the House of Commons. It has to go to the inquiry.

As a result I have directed the Chief of Defence Staff to inform members of the armed forces of the sensitivity of this matter and remind them of their obligations as members of the armed forces in the interests of justice. Hon. members opposite may not care about justice, but we on this side of the House do.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the minister will know and the House is aware that the events in Somalia happened almost two years ago. Every time we get closer to having an investigation, pop, poof, somebody else gets charged and the investigation gets put back another six months. Two years have passed already. The circumstances of this case demand an immediate investigation.

• (1445)

Further, Mr. Minister, members of the Canadian Armed Forces have a—

The Speaker: I wonder if the hon. member would put his remarks through the Chair and would the hon. member put his question, please.

Mr. McClelland: Yes, Mr. Speaker. The minister is aware that presently the lowest ranking soldier charged in the Somalia affair is convicted and in jail. This is the very individual who gave the first evidence to uncover—

The Speaker: I would ask that you put your question forthwith.

Mr. McClelland: Mr. Speaker, what specific action is the minister taking to ensure that others in the military feel free to come forward and provide evidence without fear of retribution?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, how clear do we have to be? There will be an open civilian inquiry and any member of the armed forces who has such information or concerns will have not only the opportunity to make those representations but the obligation to make those representations to that inquiry.

* * *

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is directed to the Minister of Citizenship and Immigration.

Last Thursday, the minister granted a two–week stay of proceedings to have time to review the case of Mrs. Sabadin and her two children. If he does not revise his decision, Mrs. Sabadin and her two children will be deported to the Seychelles, where her husband has threatened to kill her as soon as she returns.

Three days before deciding to stay deportation proceedings, the minister wrote me the following, and I quote: "I have personally reviewed Mrs. Sabadin's case. This review has revealed no overriding reasons that would justify taking exceptional measures". Why did the minister change his mind three days later?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I think it would be inappropriate to delve into the specifics of one case. However, I think the hon. member should know, because one of his colleagues asked the question some time ago, that the decision was to stay the deportation so that a proper and full review may be conducted.

The member and his colleague have been asking if I would basically prejudice that review and make a guarantee on the basis of how that review would go. I think that would be an inappropriate action for a minister of the crown.

Second, let us allow the review to properly function. We have as good a system as anywhere in the international community. If new evidence is brought forward that will be dealt with accordingly.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, does the minister agree he made a serious mistake in the case of Mrs. Sabadin and why will he not admit there are overriding humanitarian grounds for immediately cancelling the deportation order?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I do not know why members of that party continue to put down a generous progressive system in this country.

The individual in question applied for humanitarian and compassionate consideration. That consideration was extended. That extension is now undergoing a full review of this individual's case. Now this member is trying to somehow say that the system or the government is doing the wrong thing.

The system is proceeding well. The system is compassionate and it is time we say so instead of always running a Canadian system into the ground which it clearly does not deserve.

* * *

GOVERNMENT OF CANADA

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this government promised Canadians that it would do things differently but after only one year I cannot really tell the difference between it and the Mulroney government.

The president of CN has received a $300,000 interest free loan to live in style in Westmount courtesy of the Canadian taxpayer. The National Capital Commission, which has already rifled the public purse for its chairman's social club dues, is spending $2 million on office renovations, and Liberals across the country are lining up for patronage appointments.

My question is for the President of the Treasury Board. When will these lavish expenditures stop and when will this government realize that it is not its money that it is spending?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, if she cannot tell the difference between this government and the Mulroney government she clearly needs glasses. Maybe the glasses would help her to see that this government is taking every measure in its first year in office to ensure the cost effectiveness, the efficiency of the programs and the spending of taxpayers' dollars.

• (1450)

We will not tolerate the inefficiencies. We will not tolerate the wasteful spending of the previous federal government. That is what this government is committed to doing.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, when I was here at the beginning of the last Parliament, the Tories were high in the polls too. This first year is over.

When the president of CN was asked about possibly ending a few of his lavish perks, he responded: "Are you saying that as a result of downsizing all of us in the executive ranks should reduce our compensation by 10, 15 or 20 per cent?" You bet, that is exactly what we are saying and we proposed that this morning to the finance committee.

When will this government start to lead by example and not lead by the nose?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, maybe the example could be set by her leader. He might want to cut out the clothing allowance and save some money over there.

This government is reviewing the programs and the services that are offered to Canadians because we know that we have to make our programs efficient and effective to be able to reach the 3 per cent of GDP target which is our target to bring down the deficit and to make sure that we have affordable and responsive programs and services to the people of this country.

* * *

REFUGEES

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

The Hong Kong government has admitted that 142 Vietnamese refugees were injured in a forced repatriation operation at the end of September. There is also a proven risk to the safety of these refugees returning to Vietnam.

Could the minister inform us of what actions the Canadian government is taking to ensure the fair treatment and safety of Vietnamese refugees in southeast Asia?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I thank the member for his question.

The House should know that in 1989 with respect to the Indo–Chinese refugee crisis, the international community came together and signed a comprehensive plan of action to which Canada was a signatory and continues to be a member of the steering committee.

There were two obligations under the United Nations for that comprehensive action plan. One was to repatriate those found not to be convention refugees back to Vietnam and, second, for those who were found to be convention refugees to resettle them abroad.

On the latter, since 1989 Canada has accepted some 20,000 individuals. All screening and all repatriation is done under the auspices of the United Nations. Generally it could be said to have been a very worth while and very successful international comprehensive plan that has repatriated safely from 60,000 Indo–Chinese refugees back to Vietnam.

* * *

[*Translation*]

INDIAN AFFAIRS

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is directed to the Minister of Indian Affairs. The price of food in remote areas of Northern Quebec and the Northwest Territories is so high that it is practically impossible for residents, most of whom are Inuit, to eat properly. Today, an Inuit in the far north pays twice as much for the same basket of groceries as we do here in the south, while his average income is much lower.

Could the Minister of Indian Affairs explain why, despite the fact that $14 million is spent annually on subsidizing the distribution of food in the far north, a person who lives in that area always has to pay twice as much for his food as people in the south?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, once again I totally agree with my friend. He has a perception of my portfolio that I sometimes find lacking in other members of this House.

He has pointed out the cost of food mail. A gallon of milk in Nunavut is $12. There is nutrition that does not exist. We have $14 million in food mail. I do not think it is enough and I for one will fight within my ministry and other ministries to improve that.

Mr. Solberg: Increase spending.

Mr. Thompson: That's right, spend more.

Mr. Irwin: Go and see for yourselves instead of sitting here making smart remarks. The issue is not so much self–government in Nunavut. It is bringing education, it is handling 14–year old children who have children, it is bringing nutrition, it is bringing the future and that is what we are committed to.

• (1455)

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, one wonders whether the minister saw my question beforehand, because he used exactly the same example I will give you now.

How can the minister accept the fact that an Inuit has to pay up to $12 for 3 litres of milk in the far north, while his department is still looking into the matter instead of coming up with some answers?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I started off this term hoping that I would turn my hon. friend into a lovable and committed federalist. Since he is using my answers for questions, I think I am 60 per cent there.

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AIR ATLANTIC

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, my question is for the Minister of Industry.

Air Atlantic creditors vote on Monday to determine whether they will accept the company's restructuring proposal or be forced into bankruptcy. Apparently most of the creditors are in agreement with the restructuring proposal and have declared so. The sole exception is the Government of Canada that has not given its public indication of its position. Rejection of the restructuring proposal means the bankruptcy of the company.

Will the Minister of Industry today please advise the House and through this House the employees and creditors of the position of the Government of Canada to the restructuring proposal.

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I appreciate the question because it gives me an opportunity to make clear that first of all Industry Canada is really an insurer of certain of the debt which is involved in this transaction. The creditors themselves have a vote. Industry Canada will not be voting with respect to it.

I have directed my officials to retain a neutral position on the proposal because I believe that it should be examined by the creditors with a view to its commercial viability. That is the test they should apply in their own best interests. If that test passes then we will be happy to see the airline continue on the basis of the proposal.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I commend the Minister of Industry for his frank and forthright answer. I am very pleased indeed that the minister will take a neutral position.

Does this mean that the creditors will have sole discretion as to their vote on the restructuring proposal without interference by a government official or a representative of the department?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, that is exactly the intention which I intended to convey by my first answer. There will be no interference from us. I expect the creditors to evaluate their own positions and vote accordingly.

* * *

GOVERNMENT APPOINTMENTS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, my question is directed to the Deputy Prime Minister. In its attempts to reduce costs the federal government has on occasion dealt with the public service job vacancies by not replacing them on the basis of attrition.

My question has to do with the recent appointments to the Senate, apparent worthy appointments. I am just wondering if the Deputy Prime Minister would suggest to the Prime Minister that in the interest of saving costs around this place, perhaps the Senate should be treated the same way as the public service and that vacancies be treated as not filled by attrition.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, there is a slight problem with that logic. I think the member would certainly recognize that he does not want to leave the Senate with a majority of Mulroney appointees.

* * *

CANADA DEVELOPMENT INSURANCE CORPORATION

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, my question is for the Secretary of State for Financial Institutions.

In a report released on Tuesday the Senate banking committee recommended that the $60,000 guaranteed deposit by the CDIC be reduced from 100 per cent coverage guaranteed to a lower level where depositors, that is Canadians, would assume more risk and the banks less.

Can the Secretary of State tell us if the government is prepared to implement these changes and why?

• (1500)

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I know the hon. member's interest in the subject. The Senate committee has reported recently. We have looked at the proposals it has made, some 42 of them. One was the recommendation for a partial co–insurance clause. That is something we will have to consider very carefully.

A number of other recommendations it has made are very positive ones. That one is going to be carefully considered. We would certainly not consider implementing co–insurance without careful consultations with all stakeholders and reference to the House.

PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of hon. members the presence in the gallery of Mr. Vilém Holan, Minister of Defence of the Czech Republic.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

ELECTION OF SPEAKER

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I rise today on a point of order following the Prime Minister's comments during question period yesterday on the results of the election of the Speaker.

Standing Order 3(6) states:

> The Clerk of the House shall, once all members wishing to do so have deposited their ballot papers, empty the box and count the ballots and being satisfied as to the accuracy of the count, shall destroy the ballots together with all records of the number of ballots cast for each candidate and the Clerk of the House shall in no way divulge the number of ballots cast for any candidate.

In reference to the hon. member for Ottawa—Vanier, the Prime Minister stated yesterday, and I quote from page 8170 of *Hansard*:

> —Mr. Speaker, that it was by two votes he did not become the Speaker. A lot of people thought we had two great candidates and he lost by only two votes.

In so doing the Prime Minister left the impression that he was in possession of information that is supposed to be secret. By making these comments the Prime Minister has called the whole process into question. I merely want to ensure that the rules of the House were adhered to and that the Standing Orders were not compromised.

I would therefore ask the Prime Minister if his comments were purely—

Some hon. members: Oh, oh.

The Speaker: I take the point of order seriously.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in his absence the Prime Minister asked me to transmit to the House that he was basically reflecting on the fact there were two votes. I think everybody who watched the votes in the House that day realized there were actually two votes.

Some hon. members: Oh, oh.

The Speaker: I do not want to get into a debate on the particular matter. Is the hon. member rising on the same point of order?

Mr. Hermanson: Mr. Speaker, even in your own response which is also recorded in *Hansard* you said—and I am not quoting exactly—that this was the first time you realized how many votes you won by.

Obviously the Prime Minister needs to do some explaining in the House.

The Speaker: Order. Of course I should not have intervened like that. What really surprised me is that I have not met a member yet who has not voted for me.

I will take both statements under advisement and if it is necessary I will come back to the House.

• (1505)

STATEMENTS BY MEMBERS

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, in Statements by Members under Standing Order 31 the hon. member for Vancouver South said that the leader of the Reform Party should apologize for misleading Canadians.

Under citation 489 of Beauchesne's it is unparliamentary language to use the words misleading the public. I would ask, Mr. Speaker, that you also rule in this case and perhaps ask the member to withdraw his statement.

The Speaker: I will have a look at the blues. Generally speaking the word misleading could be inadvertent. If we use the words deliberately misleading they would surely be out of order. I will review the blues.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I would like to ask my hon. colleague, the Secretary of State, the usual question put to him on Thursdays as to what the legislative agenda will be for the next few days?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, this afternoon, and tomorrow if necessary, we will pursue consideration at report stage of Bill C–57, the World Trade Organization Implementation Act.

[*English*]

We will follow this with report and third reading stages of Bill C–55, the Yukon surface rights legislation.

Since early autumn the Standing Committee on Finance has been conducting for the first time in history formal public prebudget consultations. On Monday and Wednesday next week members of the House will have the opportunity of making their own contributions to the work of the committee. They will be

able to give their own views on public discussions about the next budget and debate in the House a motion to take note of this process and to give the committee an additional week to complete its report.

On Tuesday we hope to debate third reading stage of Bill C–57 and to commence second reading debate of the income tax amendments introduced this morning.

* * *

[*Translation*]

POINT OF ORDER

REVIEWING CANADA'S FOREIGN POLICY—SPEAKER'S RULING

The Speaker: Order! I am now ready to rule on the point of order raised by the hon. member for Roberval on November 16, 1994, concerning the format of the Report of the Special Joint Committee Reviewing Canada's Foreign Policy.

I would like to thank the hon. member for his intervention, and to thank the former member for Ottawa–Vanier and co–chair of the special joint committee, the chief government whip, the member for Kindersley—Lloydminster and the Parliamentary Secretary to the Government House Leader for their contributions to this discussion.

In his submission, the hon. member for Roberval requested that the report of special joint committee be ruled out of order for a number of reasons. First he noted that Standing Order 108 provides that dissenting opinions be appended after the signature of the Chair and argued that printing dissenting opinions in a second document breached the provisions of the Standing Order.

Further, he argued that, although the committee had agreed to append dissenting opinions to its report, no decision was taken by the committee to print the report in the format in which it was tabled. He therefore went on to request that the report be reprinted in a single volume.

[*English*]

The House has a relatively recent practice of allowing committees to include dissenting opinions in the reports. In 1991 Standing Order 108 was amended to permit standing committees to "report from time to time and to print a brief appendix to any report after the signature of the chairman containing such opinions or recommendations dissenting from the report or supplementary to it as may be proposed by committee members".

• (1510)

Also in 1991, Standing Order 35(2) was added to permit a representative of the official opposition to give a succinct explanation of such dissenting opinions when the committee report is tabled. These changes made explicit the House practice with regard to dissenting opinions in the committee reports.

As the hon. Parliamentary Secretary to the Government House Leader noted, a close reading of these standing orders reveals that the provisions of the rules refer only to standing committees of the House.

A review of the 20 reports tabled with dissenting opinions since these rules were adopted in 1991 reveals that four have been from special committees. Three of these four reports were presented in the House and on these three occasions a representative of the official opposition rose to comment, pursuant to Standing Order 35(2).

It appears that it has become our practice to apply Standing Order 108 to special committees and there has been heretofore no challenge to such a practice. So, unless the House directs otherwise, the Chair does not intend to intervene on that point.

The wording of Standing Order 108(1)(a) is very clear. First, it allows a committee to print opinions or recommendations that dissent from a report or are supplementary to it. It specifies that such an appendix is to be printed after the signature of the chairman. It specifies that such an appendix must be brief and brief means short and concise.

The standing order does not allow for minority reports. Regardless of how the media or members themselves may label such dissent, the House has never recognized or permitted the tabling of minority reports. Speaker Lamoureux twice condemned the idea of minority reports, explaining to the House that what is presented to the House from a committee is a report from the committee, not a report from the majority.

I would draw the attention of members to the rulings of July 24, 1969 at pages 1397 to 1399 and March 16, 1972 at pages 194 and 195 of the *Journals*.

[*Translation*]

If members of this House or parties in this House wish to disseminate their views on a matter, they are free to find their own way of doing so. This Standing Order does not exist to provide a convenient vehicle for publicizing a different or alternate report on a subject matter.

With the exception of the provisions of Standing Order 32(4) requiring that documents be table in both official languages, the rules of the House are silent on questions relating to the format of a committee report. These questions are largely left in the hands of the committee.

In the past, committees have allowed their chairs considerable latitude as to the format and presentation of special cover reports to the House. Perhaps in this case we have discovered the limits to such latitude and the lesson for all is that committees

themselves will have to decide these matters in advance of the printing of the report.

Committees must be careful to assume their responsibilities in this regard: they cannot heedlessly go forward without deciding such specific matters as the relevance and brevity of dissenting opinions and the form in which these will be appended to the printed report.

[*English*]

For example, the Special Joint Committee on Canada's Defence Policy presented a two–volume report some weeks ago with the dissenting opinions contained in volume one after the signatures of the co–chairs. This was in conformity with a very explicit motion adopted by the committee to include the dissenting opinions in volume one. But the publication of committee reports in more than one volume is a new phenomenon and this may have contributed to our present difficulty.

• (1515)

[*Translation*]

The Standing Joint Committee Reviewing Canada's Foreign Policy also adopted a motion to append dissenting opinions to the report, but the committee minutes reveal that the only motion specifically speaking to the question of format is one requiring that the report be printed in a bilingual tumble format. Futhermore, the motion authorizing the printing of dissenting opinions is phrased in general terms and this too may have contributed to the current imbroglio.

The Chair concludes that the report as presented meets the spirit of the Standing Order and that it should be accepted as tabled. While supplies last, the report will continue to be distributed in its present two–volume format. However, I am of the opinion that the report does not meet the letter of the Standing Order. Therefore, should a reprint be required, I am instructing my officials to ensure that the dissenting opinions of the Official Opposition and Reform Party be printed after the signatures of the co–chairs in the same volume.

[*English*]

The terms of the standing orders which allow for the printing of dissenting opinions must be carefully observed and it is the duty of committees to ensure their observance. To avoid any future confusion, the Chair expects that all committees will ensure by means of explicit and carefully worded motions in keeping with the terms of Standing Order 108(1)(a) that their members are perfectly clear as to the format in which their reports will be presented to the House.

I thank all members for their interventions and I hope that this clarification of Standing Order 108(1) will be useful to the committees of the House.

GOVERNMENT ORDERS

[*Translation*]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed consideration of the motion and of the amendment.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I continue my statement on the amendment moved by my colleague for Louis–Hébert to amend clause 58 of Bill C–57.

Clause 58 of Bill C–57 is eloquent, not to say blatant, on this subject. I quote paragraph (*a*):

> (*a*) to fix the performer's performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced,

In inventing the phonograph, Thomas Edison thought that sounds could be permanently recorded for reproduction. Personally, I think that the Canadian government thinks that the Copyright Act is and must remain permanently recorded on obsolete media.

Here is a very small example illustrating how outdated Canada's Copyright Act is. The cultural community in Canada and Quebec is still waiting for a real review of this law passed in 1926, which has been only slightly amended since 1988.

Unfortunately, it is only because of economic imperatives arising from multilateral trade agreements to which Canada is a party that Canada is concerned about the cultural development of Canadians and Quebecers.

The Union des artistes, which appeared before the Committee on Foreign Affairs and International Trade studying Bill C–57, is very explicit on this subject. I quote: "At a time when digital technology is breaking down the old distinctions between various audio and audio–visual media; at a time when direct satellite transmissions and the information highway will redefine how our works are consumed and used, Canada is still protecting its creative artists and defending its culture with measures imposed on it because it signed international trade treaties».

• (1520)

Continuing on this route is unthinkable.

The amendment presented by my colleague from Louis–Hébert would simply modernize and update an obsolete, antiquated law and at the same time give our artists a minimum of protection, and I do mean just a minimum.

Let us hope that Quebecers will soon have an opportunity as well to rejuvenate their political system and adapt it to new realities and to get rid of the outdated structures of Canadian federalism.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, we recommend that this amendment be rejected because we have problems with it.

First, the new expression would be inconsistent with clauses 2, which includes the definitions of "plate" and "producer", as well as 5.4 and 5.5, which refer to "a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced". Second, it would therefore be difficult to apply in a consistent manner these provisions, if we were to use the new expression contained in the motion.

I should also point out that Canadian jurisprudence gives a rather wide interpretation to the current wording. Therefore, although the expression is somewhat archaic, it does include new technologies.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I am pleased to have this opportunity to address the motion tabled by the hon. member for Louis–Hébert.

It is strange and almost sad to amend the archaic and obsolete Copyright Act because we are forced to do so when dealing with a bill which indirectly affects it, as the hon. member for Laval East pointed out.

If I were sitting here at the end of the Second World War and reviewing this bill to implement the Agreement establishing the World Trade Organization, I might feel comfortable with clause 58(a), which reads:

> (a) to fix the performer's performance, or any substantial part thereof, by means of a record, perforated roll or other contrivance by means of which sounds may be mechanically reproduced,

Indeed, if I were debating this bill at the end of the Second World War, I might feel comfortable with this clause, although the perforated roll was already somewhat obsolete at the time.

Now, more than half a century later, the government tables a bill to implement the agreement establishing the successor of the International Trade Organization, namely the World Trade Organization, and we still have an archaic and obsolete provision.

In this era of high technology such as optical fibres and laser techniques, the government is talking about the perforated roll. The parliamentary secretary said that, according to existing precedents, new technologies are included in this clause of the bill.

• (1525)

Mr. Speaker, I do not see why the government refuses to modernize the wording in the very simple way proposed by the hon. member for Louis–Hébert, a way that allows for any new technology. We know that technology changes very quickly. As I said earlier, today it is fibre optics and lasers, but what will it be tomorrow? Will we have to change the legislation again to include new technology?

I consider that we have to allow for any technological change that might apply in the future to sound reproduction, and even image reproduction, although the bill is rather vague on that. I suppose that the parliamentary secretary will tell us that it includes sound reproduced with picture.

At the time of the Second World War, the reproduction of sound and picture was not all that common. There has been a tremendous technological evolution and the technological changes are not even considered by the legislation as presently drafted.

The proposal of my colleague for Louis–Hébert is very simple. It is the result of submissions made to us by artists and creators, more specifically by the Union des artistes, which appeared—which took the time to appear—before the Standing Committee on Foreign Affairs and International Trade, to voice its concerns, concerns which are the bare minimum and quite far from what they would really like to see in a piece of legislation. I am glad that the Minister of Canadian Heritage is present. We are talking about amendments to the Copyright Act in an indirect fashion, through changes to Canadian legislation brought about by the signing of the Uruguay Round Agreement, or the creation of a Department of Canadian Heritage.

When are we going to amend the Copyright Act to bring it up to date? The government does not have the political will to do so. Absolutely not. The old Copyright Act is being amended in a roundabout way through other legislation. It is absolutely unacceptable.

Could it be that the present Minister of Canadian Heritage does not have the necessary clout with his colleagues to have the Copyright Act amended as it should be and as the artists are demanding? I am very sorry to see, following the speech by our colleague, the Parliamentary Secretary to the Minister of International Trade, that our government colleagues intend to oppose this proposed amendment which, after all, is rather innocuous, but affects writers, authors and performers in a fundamental way. It is at their request that we are proposing this amendment which is, I could not stress it enough, very important for them.

However, as I mentioned before, what they would like to see is a comprehensive review of the Copyright Act. But in the absence of real political will, in the absence of a minister who would truly stand up for them, in the absence of any reform of the Copyright Act, this piece of legislation should at least be adapted to today's reality.

I hope that the government members will not prove to be close–minded, that they will not choose to oppose this amendment, otherwise we will have to conclude that they lack openness and concern for the needs of the industry, and that they do not take into account the new technology. It will be a pity if the

government chose to oppose this proposed amendment just because it did not originate on its own side.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

• (1530)

The Acting Speaker (Mr. Kilger): The question is on Motion No. 8, standing in the name of Mr. Paré. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76, the recorded division on the proposed motion stands deferred.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 9

That Bill C-57, in Clause 103, be amended:

(a) by replacing lines 31 to 33, on page 54, with the following:

"paragraph (d) and by adding the following after paragraph (e):"; and

(b) by replacing lines 41, on page 54, with the following:

"plies; or

(g) to restrict the importation of goods made, or containing components made in contravention of International Organization Conventions numbers 79, 90 and 138 regarding child labour."

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, if I am not mistaken, I have the unanimous consent of this House to move, seconded by the hon. member for The Battlefords—Meadow Lake:

That Motion No. 9 be amended by deleting the words:

"by children under the age of 16" and replacing these words by the following: "in contravention to International Law Association conventions Nos. 79, 90 and 138 concerning children's law".

The Acting Speaker (Mr. Kilger): If the hon. member for Terrebonne would be so kind as to assist the Chair by way of an explanation. Is consent requested to change the text immediately or rather to add an amendment to the motion?

Mr. Sauvageau: Indeed, Mr. Speaker, it is with pleasure and emotion that I present this amendment to an amendment, because the way it was originally worded, proscribing—

An hon. member: That is not an amendment to an amendment.

Mr. Sauvageau: A change to an amendment—

The Acting Speaker (Mr. Kilger): Then this is a motion to change the text, is it not?

Mr. Sauvageau: That is correct, Mr. Speaker.

[*English*]

The Acting Speaker (Mr. Kilger): Does the member for The Battlefords—Meadow Lake care to comment on this? It is clear to the House then that in fact we are changing, modifying the text to the motion?

• (1535)

Mr. Taylor: Yes, Mr. Speaker, that is as I understand it. We are changing the text of the motion in front of us today. It is with my full concurrence.

The Acting Speaker (Mr. Kilger): Finally now, if I could ask then, does the House give its unanimous consent to change the text of the motion?

Some hon. members: Agreed.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, as my hon. colleague pointed out, it is indeed in the best tradition of goodwill displayed on Thursdays, and I thank my colleague from the NDP for his support and good work ensuring this change could be made.

First, we are opposed to the original motion to amend that refers to restricting work done by children under the age of 16. The reason being that it could be somewhat prejudicial to certain persons. There are Liberal members who have told me: "This is great, but if little boy or little girl work with me on the farm, that does not necessarily constitute exploitation of child labour". If a paperboy or girl or anyone else has a craft, business or family activity, it is not necessarily exploitation.

One of the reasons for changing the text before us is that we understand that some children may want to gain work experience in extremely favourable conditions or students may wish to work in the field, so to speak, to increase their chances of

finding a better job later in their lives. But to restrict any work done or the importation of any components made by children under the age of 16 might, for one thing, make it obviously difficult to enforce the legislation, as well as be prejudicial to children who want to learn, who are simply interested in experiment with a new job.

I also move this amendment in a somewhat special context. As you know, National Child Day was celebrated last week. I was invited by a high school in my riding to attend a demonstration to remind international leaders of the commitments they made in writing only four years ago in New York at the UN international convention on children's rights.

They told me about some of the promises that were made. They quoted seven of the 24 promises. I will tell you about some of them in a moment. None of the promises—which dealt with child malnutrition, exploitation and conscription—even came close to being kept. None of the almost 150 countries, including Canada, that signed these promises showed the will and rigour to implement them.

The students at Paul–Arseneau high school who invited me asked me to mention it in this House. Since I was waiting for the opportunity—I also have a petition on this subject I should table in this House before long—with today's proposed amendment to this bill, I, as a member of Parliament, become the representative of these 1,200 students who have asked me and other parliamentarians who sign papers and make commitments to honour them. These promises were made four years ago.

I will repeat to you some of what a 12– or 13–year–old student told me: "Everyone knows that people sometimes forget things. It happens to us when we are taking exams. It can also happen to our government leaders. All of us here today—I remind you that there were 1,200 of them—want to help them remember. That is why we all signed a giant petition to remind the Prime Minister of Canada of the government's promises at the World Summit for Children that was held at the United Nations Headquarters in New York four years ago. All promises made should be kept. People should keep their word." And I think we are here to lead by example.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Kilger): Sorry to interrupt the hon. member.

I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C–50, an act to amend the Canadian Wheat Board Act.

THE ROYAL ASSENT

• (1540)

[*English*]

The Acting Speaker (Mr. Kilger): Order. I have the honour to inform the House that a communication has been received as follows:

Government House
Ottawa

November 24, 1994

Mr. Speaker:

I have the honour to inform you that the Honourable Charles Gonthier, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General will proceed to the Senate chamber today, the 24th day of November, 1994 at 3.30 p.m., for the purpose of giving royal assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the Speaker with the House went up to the Senate chamber.

• (1550)

[*Translation*]

And being returned:

I have the honour to inform the House that when the House went up to the Senate chamber, the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C–25, An Act to amend the Canadian Petroleum Resources Act—Chapter 36.

Bill C–11, An Act to amend the Excise Act, the Customs Act and the Tobacco Sales to Young Persons Act—Chapter 37.

Bill C–49, An Act to amend the Department of Agriculture Act and to amend or repeal certain other Acts—Chapter 38.

Bill C–50, An Act to amend the Canadian Wheat Board Act—Chapter 39.

GOVERNMENT ORDERS

[*Translation*]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed consideration of the motion and of the amendment.

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, this is the first time that I have seen such a thing and I am somewhat surprised, I admit. I shall try to continue my speech without laughing too much about what just happened.

An hon. member: Many things here are out of date.

Mr. Sauvageau: So I was saying—Someone whispered that not just the previous amendment was out of date, but I have respect for our traditions.

Some hon. members: Oh, oh!

Mr. Sauvageau: I told you earlier that I would quote some of the 24 promises made in New York about respecting children's rights in the world. I have only three to quote so that you can understand why international conventions should have priority over wording that says "under 16 years". I shall read you commitment 18 made by Canada and about a hundred other countries that signed this international agreement. Article 18 says that children's welfare requires political action at the highest level. I think that means us here. We are determined to take such action. However, it does not say when. But there was no political will to act on it.

Commitment 19 says that this declaration is a solemn commitment to give high priority to children's rights, survival, protection and development. This would also ensure the welfare of all societies. I repeat, it mentions a solemn commitment to give high priority, but it does not say when. It still has not happened today.

Commitment 20 is divided into several points. I will tell you about part of the seventh one, which refers to helping child refugees establish new roots in life. States would also strive to ensure the social protection of children who work and promise to abolish illegal child labour. Efforts would be made to prevent children from falling prey to the scourge of illicit drugs. This part also attaches the greatest importance to children's rights.

Where my text would amend article 38 of the Child Labour Convention is in item 1. You do not have to look very far in the Convention to find where it states that State Parties shall adopt a national policy to effectively abolish child labour and to progressively raise the minimum age for admissions to employment or work at a level that would allow teenagers to reach their full physical and mental potential. Yes, children can work, but only in conditions where they will have hope and be able to physically and mentally develop. They should never be exploited.

Earlier this week, we had some good news. We learned of the creation of the International Children Tribunal, and one of the two co–founders of this Tribunal said that she saw last summer a movie where children in chains were producing goods. We saw an excerpt of this movie on the news when the creation of the Tribunal was announced. We saw children in chains working to produce luxurious goods currently in use in Canada and the United States. So, we have to ask ourselves: Can our supposedly developed society allow countries to exploit children and make them work in awful conditions to produce goods we will use?

• (1555)

So, I support this bill, with a minor change to the motion, because we should keep our words and fulfil our commitments.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I am pleased to be able to speak on the motions amending Bill C–57 and in this case, Motion No. 9. We are happy to consent to the change made by the hon. member from the Bloc who spoke thoughtfully in support of not only his amendment but of the motion. I am very pleased to know of the growing support for the idea that has been put forward here.

The purpose of the motion is to ensure that as Canada joins the World Trade Organization, it creatively addresses the problem of child labour, one of the most troubling aspects of the new international trading order.

It amends the Export and Import Permits Act to allow the government to introduce regulations to restrict the importation of goods made in whole or in part by children, contrary to international guidelines.

Many observers of the trend of globalization have noted that the more we leave the multinationals to seek out the lowest labour costs in the unregulated labour markets of developing countries, the more globalization tends to become a race to the bottom. Armies of young children around the developing world already find themselves at the very bottom. They work long hours at punishing work in atrocious conditions for a pittance. They are thereby deprived of an education which is their right under the UN charter.

In many instances, such children are indentured into virtual slavery. The numbers of children involved and the conditions they face are staggering. It is estimated that 300,000 children work at hand knitting carpets in India while two–thirds of the workforce in Nepal's 600 factories producing rugs for export are children under the age of 15.

According to the International Labour Organization half the children in Pakistan's carpet industry die of malnutrition and disease before they reach the age of 12. Girls 10 years of age work in China's special export zones in toy factories for $10 a month.

In Indonesia, after relaxing its regulations on child labour in 1987, some 2.8 million children are working in factories. The most revealing fact is that child labour has been growing in tandem with the liberalization of world trade.

These children produce rugs, textiles, garments, shoes, toys and other light manufacturing products for export markets. The

multinationals that manufacture, trade and retail the products of child labour often claim that they do not hire the children directly but they never acknowledge that they knowingly subcontract out parts of the manufacturing process to employers that do.

Child labour has become an integral part of the new world order of trade liberalization and gives the lie to any glorification of unregulated world trade as a force of progress. For the pathetic armies of children in the developing world, market liberalization means a regression to the brutal exploitation that we in the developed countries have not permitted for more than a century.

Because it has become part of the fabric of the new international economy, child labour implicates all of us as consumers. On any visit to the local mall, unknowingly we are likely to buy for our own children clothes and toys made under conditions that would horrify us if we imagined our own children in their situation. Here is a case where we must let our basic human sympathy, our sense of solidarity with children around the world move us to act. Some have argued that when developed countries today restrict trade in goods made by child labour they are forgetting the role that child labour played in their own development and acting to deliberately restrict the development of new economies.

• (1600)

We in the developed world have indeed had our own experience with child labour, which was as much a part of European and North American industrialization as it is now in many developed societies today. We must remember that government regulations prohibiting the use of child labour were among the earliest public interventions to tame a predatory industrial capitalism. The fact that the same predatory capitalism has returned with a vengeance, its leaders boasting of their ability to operate outside the regulatory reach of individual states, does not relieve us of our duty to protect the most vulnerable members of the global village.

The multinationals like to talk about the need to establish a level playing field. Let us establish one between them and the children whom they now exploit. The elimination of child labour will be a long and arduous process that takes place on many fronts. The International Labour Organization has a program that has been in place for years to study and propose measures to address the problem. Canada should actively support this program.

The ILO secretariat has also recommended that the WTO should adopt a social clause to enforce basic labour rights on member states, a strategy that would go a long way to eliminating child labour. This is why we proposed a separate amendment earlier today that the government chose not to support, that the government commit itself to such a policy of developing a social clause for the WTO.

Some individual governments of developing countries are making efforts to introduce regulations to help children and some of these programs, such as the one in Hong Kong, have met with success. Many developing countries do not have the resources to police regulations on child labour, however well intended those regulations may be. That is why the developed countries like Canada have an obligation to help the governments of developing countries prevent multinationals from trading in goods made by children.

That is why we are proposing this amendment today to Bill C–57. It would put the burden of proof on the large importers and retailers to establish that they have not imported goods made with child labour and apply the resources of the Canadian regulatory regime to police the problem.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, this is an interesting motion, one that in spirit I would agree with but in practicality is going to be very difficult to deal with. That has been recognized by the countries that have been negotiating this GATT agreement for the past seven years. That is why it is not in the current GATT agreement.

The intent of this amendment is certainly good. It is to end child exploitation, especially in third world countries. The difficulty is that a multilateral trade agreement is not the forum for this. Children's rights are protected under the International Convention on the Rights of the Child through the United Nations.

Some of the difficulties were outlined by the member for the Battlefords—Meadow Lake when he said that individual countries do not have the resources to police this kind of intervention.

I would like to pose a question for the member: Do we have the resources? In other words, on every article of clothing or textiles that come from some third world country, how would we prove that this is not made using child labour? It is very, very difficult. I think we have to work through the International Convention on the Rights of the Child and encourage these individual countries to stop the exploitation in those areas.

Just another interesting little sidelight. It also raises some questions about practices that we have at home, practices that I think are actually quite good.

I have a grain farm. We have four children who all worked on that grain farm prior to reaching the age of 16. They learned responsibility at a very early age. They learned how that business worked. There are literally hundreds of thousands of businesses in Canada that have children of the owners working and learning the system, learning how to conduct business in those businesses. Would that not also raise the question of our own practices at home? I do not think those are bad practices.

I have to oppose this. The spirit of it is I think right, but we have to pursue it through the proper avenues.

• (1605)

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, we acknowledge the need for programs and initiatives to deal with child poverty. That is precisely what this government is doing with the initiative of the human resources ministry. There is something now before the public and we welcome their ideas. To agree to this proposed amendment would be almost like changing the game half way through or after it has already been played.

First, we are raising the issue of relationship between the international trade regime and social and labour standards. The purpose of the bill is to implement the World Trade Organization agreement. There is nothing in the agreement that deals with this subject. It was not the object of any negotiation and no obligation needs to be implemented in this respect.

The proposed amendment would represent a major departure from the position taken by Canada on several occasions. This issue should be addressed in multilateral negotiations rather than by taking unilateral actions. It is one of the areas that was identified truly in Marrakech as potential subject matter for future negotiations. Canada is now participating in discussions on this subject in the OECD as well with the ILO.

Nevertheless, we agree with the spirit of the motion, but unfortunately, technically speaking we will not be able to accept it. We are recommending rejection of the motion.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed to the motion will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ) moved:

Motion No. 10

That Bill C–57, in Clause 185, be amended by adding after line 22, on page 124, the following:

"(6) Section 97 of the Act is amended by adding the following after subsection (2):

"(3) The Governor in Council shall, on the recommendation of the Minister of Finance and the Minister of Industry, make regulations prescribing the factors that shall be considered in determining whether the dumping or subsidizing of any goods has caused any injury or retardation or is threatening to cause injury, which factors shall include, among others,

(a) unused production capacity;

(b) any increase in imports;

(c) any adverse price effects;

(d) inventories;

(e) any other demonstrable adverse trends"."

He said: Mr. Speaker, as we say: Last but not least. I do hope that the government will be more open–minded than it has been so far.

I find it somewhat despicable that the government would oppose the previous amendment, which merely sought to ensure that Bill C–57 take into consideration Canada's international commitments in other sectors, particularly as regards the issue of children's law.

• (1610)

That being said, I want to discuss Motion No. 10, which we proposed and which is the result of representations made by Canadian steel producers who appeared before the Standing Committee on Foreign Affairs and International Trade late last Wednesday, to tell us about their concerns.

Those concerns are essentially that, when comparing the Canadian and American bills to implement the Uruguay Round Agreement, the steel industry notes that the American bill is much more precise regarding the identification of the causes of dumping. Consequently, the association has come to the conclusion that, for its members to be able to compete with their American counterparts, the Canadian legislation also has to be more precise regarding the issue of dumping.

The steel producers informed us of their findings. Mrs. Van Loon, the President of the Canadian Steel Producers Association, told us that, given the rather special relations between Canada and the United States regarding the steel trade, if the Americans were giving themselves a baseball bat in their legislation, as she put it, the least we could do was to give ourselves a baseball bat too, even if it is a smaller one.

Consequently, we are asking that the Canadian legislation be amended so as to allow our industries to compete with their American competition.

The next day, we were conducting a clause–by–clause review of the bill, which means that the Canadian steel industry only had a few hours to propose amendments or changes. I must say that they worked diligently and in a professional manner, since the next day, at dinner time, we had a series of very specific, comprehensive and to–the–point amendments concerning the steel industry's expectations.

I gather that the amendments proposed by the steel industry were far too specific and well designed for the government party to accept them. We were told that the vision the Americans have of the Uruguay Round Agreement as reflected in their legislation is not right, that our vision of the Uruguay Round Agreement as reflected in our legislation is better and that, consequently, we cannot do the same thing as the Americans nor support their point of view.

Allow me, Mr. Speaker, to say that I find this position rather too meek and legalistic, since we have to deal with a powerful and, if I may say so, intrusive trade partner, that is, the United States. We must be able to work along the same lines, with the same means, on a level playing field.

Since our colleagues did not see fit to acknowledge the accuracy of the arguments presented by the steel industry at the committee stage, the steel industry agreed, in response to concerns expressed by our colleagues and in particular by the hon. member for Rosedale, to give more thought to another amendment which is far more precise, in fact, shorter, if I can say, far more general in the sense that it applies not only to the steel industry but also to several other industries, several other sectors of our economy.

Our friends from the steel industry have begun consultations with parliamentarians from both sides of this House in order to make their expectations known. Not knowing if our colleagues from the government, the Reform Party or the New Democratic Party would bring forward the amendment proposed by the steel industry, we placed the amendment before us on the Order Paper. Motion No. 10 does not come from the Bloc Quebecois, but from Canada's steel industry. We are merely bringing this amendment forward on behalf of the industry because nobody else would.

• (1615)

Clause 185 of Bill C–57 deals with the way the Canadian International Trade Tribunal must evaluate complaints related to dumping. For this tribunal, it is imperative not only to prove that dumping has indeed taken place, but also that such dumping has caused injury to the Canadian industry.

Moreover, the bill in its present form stipulates that the tribunal can determine injury only if the circumstances causing such injury are clearly imminent. We have to recognize that, on one hand, this is much too restrictive and, on the other hand, it is much too vague. The bill also stipulates that the Governor in Council may, if he so wishes, make regulations to give the Canadian International Trade Tribunal detailed information on acceptable evidence and on the general interpretation of the new conditions with regard to dumping.

As I was saying earlier, the Americans have gone a lot further in giving their tribunals much more detailed information on the interpretation of these new conditions and on the evidence that can be presented. This means that Canadian producers are clearly at a disadvantage compared to their American competitors because they have no indication as to how they must prove that they have been victims of dumping.

It must also be understood that injury has to be determined before any anti–dumping measure can be taken. That is the whole point. Getting back to the Canadian steel industry, I think it is important to put it in context to show how important it is.

The Canadian steel industry generates $8.6 billion worth of sales each year, including $3 billion worth of exports, and provides 33,000 jobs, including 10,000 to meet export market requirements. To show how important it is to have legislation similar to the United States, or to give us a level playing field, I will point out that 90 per cent of our steel exports go to the United States while more than 60 per cent of our steel imports come from there.

Canada is the largest steel export market for the Americans. In the steel industry, the need for a level playing field in both countries is essential. What is more, our industry must be able to ward off blows, to get ready for any threat of dumping, as the Americans are doing. If the rules are too vague on this side of the border only, our industries will not be able to take advantage of the benefits resulting from agreements such as the GATT agreements.

So, this amendment seeks essentially to ensure not that the Governor in Council be allowed to make regulations on what should be considered as dumping but more particularly that the Governor in Council be required, rather than leaving it up to him, to make the necessary regulations setting up guidelines to be followed by the courts when making determinations about dumping.

This amendment also seeks to specify the kinds of evidence to be considered among the factors described in the regulations. Finally, those regulations will have to be made on the joint recommendation of the Minister of Finance, as provided in the bill, and the Minister of Industry so that the industry's competitiveness will be taken into account in decision–making. We all know that the Minister of Industry is often in a good position to understand the rapid changes in market conditions at that level.

I urge my colleagues of all political parties to support this amendment which meets the expectations of the Canadian steel industry, and of thousands of workers in steel mills in Quebec and throughout the country.

It is imperative that Parliament pass this amendment that does not take anything from the bill, nor detract from its substance and its importance. It will in fact make it more specific and give it more teeth for the sake not only of the steel industry, but also of many other industries in the Canadian economy.

• (1620)

I know those issues are a matter of deep concern to our colleague for Hamilton East, who is also Deputy Prime Minister and Minister of the Environment. She was with us yesterday, when we met with the Minister for International Trade, members of the steel caucus, and spokesmen for the Canadian steel industry and unions in that industry. She seemed quite anxious that Parliament consider the amendment suggested by the Canadian steel industry.

I hope the wisdom of the Deputy Prime Minister prevailed in discussions with her colleagues and that they will deem it useful and relevant to pass this amendment that is critical if Canadian industries, including the steel industry, are to compete successfully with our major trading partners and competitors, especially the United States.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I will make a very short intervention in this regard.

For those members of the Chamber who were away on business or whatever this morning, or for those who are tuning in on their television sets to this debate for the first time this afternoon, I simply want to remind the House that earlier today the member for Regina—Lumsden on behalf of the New Democratic Party put on record the concerns of the Saskatchewan steel industry. I believe he quite nicely brought together the views of our caucus on behalf of the Saskatchewan steel industry and the steel industry in general with regard to the motion before us.

I also want to respond to comments the parliamentary secretary made on the last motion dealing with child poverty and the exploitation of child labour. I can state his words fairly closely. He said that the government was not prepared to take unilateral action in this regard.

I remind the parliamentary secretary that the government is already taking unilateral action with regard to the WTO and agreements reflecting on the GATT. The parliamentary secretary should recognize that as a government it seems prepared to take unilateral action to penalize western grain farmers but is not prepared to take unilateral action to protect children. I think that is just shameful.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, my friend in the NDP has a tendency to bend the statement I made a bit. I said that the government was taking action and that the minister responsible for human resources was taking action on the whole question of child poverty.

I said that we could not change the game halfway through. I suggested that the issue was not agreed to in Marrakech. What we signed did not include that issue. A future agreement or a future debate might take place around the issue. I think the hon. member would suggest that it would be unwise for us to take a unilateral action as a country and add a new amendment to our legislation; but for him to say that we are not concerned about child poverty is not fair and not warranted.

I go back to some of the comments made concerning the whole notion of dumping and anti-dumping. The new disciplines on the treatment of dumped goods will not impair the Canadian ability to respond to exporters that dump goods into the Canadian market when such dumping threatens or causes injury to Canadian industry. The new discipline should however reduce the scope for the harassment of Canadian export interests resulting from unfair dumping duty actions by our trading partners.

• (1625)

I also add that our existing dumping action will be continued under the new system as if it had been made under that system. Any continuation of an injury finding will be made in accordance with the new anti-dumping agreement. It is not expected to put an increased burden on Canadian authorities. They already operate in a system which for the most part conforms to the new rules.

There was a reference to the American legislation. I assure the House and Canadians that we are examining, have examined in the past and will continue to examine all moves and changes or proposed changes to the American legislation in terms of language or statement to ensure that they are consistent with the NAFTA as well as with the World Trade Organization agreement.

Should Canadian interests be harmed for whatever reason by any provisions which are inconsistent with our right under the international trade agreement we will take appropriate action. Two wrongs do not make a right. If somebody has gone beyond the agreement in introducing changes to our laws and regulations to divert from the agreement does not mean that we should be doing the same. As a government and as a society we have to fulfil our commitment under the World Trade Organization agreement.

The proposal suggested by the opposition member is inconsistent with the World Trade Organization. First, pursuant to article 3.7 of the agreement, implementation of article 6 of the act, the anti–dumping agreement, and article 15.7 of the World Trade Organization agreement on subsidies and countervailing measures, the specific factors listed in the motion are threat or injury factors. Adoption of the motion in our opinion would extend the application of these factors to injury and retardation in a manner inconsistent with the World Trade Organization specifically. Article 3.4 of the anti–dumping agreement and article 15.4 of the subsidy agreement require examination of a much larger list of factors in the broader determination of injury.

Second, with respect to the threat of injury, a list of factors will be set out in regulations being prepared under the authority of the new subparagraph 97.1(1)(a) which allows for full consideration of the factors set out in the hon. member's motion.

Third, the reference to the Minister of Industry in prescribing injury or causation factors should be deleted since he is nowhere else specifically mentioned in SIMA and the regulation making authority under SIMA is the responsibility of the Minister of Finance.

For these reasons and what I clearly stated earlier we are recommending rejection of the motion.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, we are being asked in Motion No. 10 to consider factors such as dumping, foreign subsidies and putting extra regulations into Bill C–57, an act to implement the World Trade Organization.

I am afraid I am going to disappoint the member for Verchères who has asked us to support the motion. It is not that I am unsympathetic to the discussions he outlined about the steel industry or any other industry undergoing trade actions.

• (1630)

The bill calls for minimum compliance to try to move these disputes forward quickly to the World Trade Organization. It has better mechanisms to resolve these disputes than is currently available in the Canada–U.S. trade agreement for steel, for example. A lot of regulations have been built up over the last several years and we still had several dozen trade actions on steel alone last year. Surely that is not the best approach.

The best approach is moving disputes to a forum such as the World Trade Organization where all factors will be taken into account by a panel that hears disputes. The panel will not just take into account things like unused production capacity, increases in exports and inventories. It will consider all relevant factors as it should.

We should not try to build up a big regulation wall. The steel industry said at committee that it wants us to build a big regulation wall like the United States is doing with the ultimate goal of tearing it down at the World Trade Organization. We should not take the same kind of action that the United States is taking. The World Trade Organization panel will consider the type of regulations that are being built up in the United States in its implementing regulations. The panel will take that into account when it hears these disputes.

There is a process. It is a better process. We have to put our faith in it. It is going to work. Placing undue emphasis on the factors that were outlined just a few moments ago by the hon. member for Verchères might put undue emphasis on factors that would benefit things like supply management. It would also cause injury in some other sectors of our industries.

That does not say we do not have some problems. I outlined them during discussion of Bill C–57 at second reading. Those problems are internal trade barriers, high debt and deficit, our inability to trade. The Western Grain Transportation Act needs revision. There are problems with the tariff rate quotas. I do not believe we should have them. There is the problem with the sale and allotment of quotas but that is for a different day. Those problems have to be worked out in the next few months.

What is important is getting through the minimum compliance and have the World Trade Organization come into effect. Let us start hearing some of the disputes such as the wheat dispute that has been bubbling for the last year and the other disputes that have been talked about such as steel. Let us put the World Trade Organization to the test and it will come out with flying colours.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I have been a member of the steel committee for several years. Recently, you had the opportunity to meet the people from the steel industry, at the steel committee, and also on two occasions at the Standing Committee on Foreign Affairs, where we had the opportunity to hear their claims.

I want to tell you that what we are proposing in our motion is exactly what the steel industry is asking for.

I cannot understand the government on this issue. It seems to be stubborn. I cannot understand it. Earlier, I heard the parliamentary secretary talk about this, and I still do not understand why he does not agree with the amendment that we are proposing, all the more so since I do not agree either with the Reform member who just spoke on the same subject regarding dumping.

It is clear and obvious, and we heard that several times, including just last week or two weeks ago. The president of the Steel Producers Association came to the committee and clearly explained to us that, as for our protection mechanisms in dumping and steel trade between Canada and the United States, among others, the United States had regulations this thick, which she did put on the table before us, while we only had a few pages of regulations to protect us.

• (1635)

It is not I nor my colleague from Verchères who said that, it is the Canadian Steel Producers Association who said it several times. It is for these reasons that we have a lot of difficulty, this afternoon, understanding why the parliamentary secretary and the government did not amend this bill.

The steel industry is very important, particularly for Quebec. In my riding and the riding of the hon. member for Verchères, there are many major industries producing steel pellets. Steel trade is very important in Quebec, and that is why we are very concerned by the government's lack of attention towards the steel producers who came several times to explain to us, in great detail, their claims.

Once again I strongly hope the government will change its mind because, once this legislation is tabled and sanctioned, we will be facing major problems. That bill will have a negative impact on the steel industry which, it seems to me, is still quite dynamic and full of promises for the future of Quebec and the rest of Canada.

That is all I wanted to add. I do not want to get into the specifics, but I urge the government to listen. It said it had reviewed the issue. On what basis? The parliamentary secretary said earlier that they had reviewed the question, but on what basis and on whose advice?

We have heard the exact opposite and, once again, the government is not listening. I really wonder where we are headed. I think we will continue to sink further into a terrible deficit with that type of regulations that do not protect industries, that increase unemployment and add to the problems of Quebec businesses, particularly in the steel industry, one that I know very well.

I beg the government to accept this motion.

[*English*]

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I rise today to speak on this motion as a past chair of the steel caucus. This is a caucus of all members of the House who have joined together to support the Canadian steel industry. My colleague from Oakville is the present chair, having taken over yesterday. She will guide steel issues through the House with the co–operation of all members.

The hon. member for Verchères, who put this motion forward, is a very active member of that committee and has taken almost word for word a proposal that was put forward by other members of the committee that represent steel industries.

Let me speak briefly about the intent of the motion. The steel industry felt it was important for it to send a strong message to the Americans that the present situation in which anti–dumping and trade actions are brought against Canadian steel industries is not acceptable. If we are going to have fair, open and free trade, if we are going to belong to an organization like the GATT, the World Trade Organization, the WTO, then we need to follow similar rules. The steel industry in North America is so integrated that we need to have similar rules on both sides of the border.

The intent of this motion is to make sure that there are similar rules on both sides of the border.

• (1640)

Yesterday we had the opportunity to speak with the Minister for International Trade. I want to thank the minister for coming to the committee. We discussed this very issue. Unfortunately he only saw this after he walked into the meeting and did not have the opportunity to look at it. It was his view that the intent of the motion could actually be handled by regulation.

Unfortunately I did not have an opportunity to listen to the parliamentary secretary but I am sure that is what he meant when he responded to the hon. member. The minister gave us his commitment yesterday that he would look at this issue very seriously, make sure someone in his department would respond to our concerns and would work with the steel caucus so the intent of this motion is carried through. When Canadian steel companies or for that matter other industries want to do battle in trade disputes with companies in the United States they should have the same arsenal to work with.

I agree with the hon. member that the arsenal is not balanced now. Not only steel producers but other producers will tell you that it takes a heck of a lot longer to deal with a dispute in the United States than it does one in Canada. When they go to the United States they have to take a truckload of documents with them. But when Americans come here to deal with a dispute they just have to carry a briefcase full of documents.

If the values and the intent of the World Trade Organization is to bring down these sorts of barriers, then certainly industries, particularly the steel companies who employ thousands of workers in members' ridings across the country should have an opportunity to have fair trade.

I know that is the intent of the motion by the member for Verchères. I support the intent of his motion. We will work with the minister and members of the steel caucus to make sure that that intent is put forward as strongly as we can, and to work to make sure that through regulation the intent is carried on.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, we are now on the last amendment presented by the Bloc Quebecois. The purpose of this amendment is to amend, improve and clarify the bill to implement the Agreement Establishing the World Trade Organization. Although the parliamentary secretary does

not agree, I still believe that the hon. member for Verchères proposed an excellent amendment.

The amendment is an attempt to provide the basis for certain rules on what constitutes injury, with respect to dumping. At the very least, what I have to say may expand the horizons of the parliamentary secretary. During the past few weeks, through the Standing Committee on Foreign Affairs and International Trade, we were able to consult many Canadians and Quebecers.

They admitted their concern about the lack of clear provisions in Bill C–57 with respect to dumping. A number of people said they were afraid that imported goods would be sold on the Canadian market at prices below those prevailing on national markets and, in some cases below cost.

Bill C–57 already contains certain provisions on the evaluation of complaints about dumping by the Canadian International Trade Tribunal. An attempt is made to determine whether certain unlawful acts would harm the interests of Canadian and Quebec producers.

However, the bill provides that the tribunal cannot recognize the existence of injury unless the circumstances causing injury are clearly perceived and imminent.

• (1645)

These provisions are not only extremely restrictive but also extremely vague. The bill contains no detailed instructions for determining what constitutes clearly perceived and imminent injury. It does not define the type of evidence that may be considered by the Canadian International Trade Tribunal.

Furthermore, it is simply left up to the governor in council, on the advice of the Minister of Finance, to establish regulations, if necessary. If he feels like it, as the hon. member for Verchères said. We think it is important that the Minister of Industry, who is in the best position to know about the problems facing Canadian businesses, should also be able to make recommendations to the governor in council on factors to be considered in determining whether there is a case of dumping. More should be done, however.

Our American neighbours have issued clear and detailed instructions on approaching tribunals with complaints about dumping and on the evidence to be considered by those tribunals.

It is therefore imperative that Canada provide clear and specific guidelines on the factors that would be admissible as evidence before the tribunals. Without these guidelines, Canadians and Quebecers, when they lose the advantage as a result of unlawful acts—I am thinking of steel producers, for instance—will not know how to argue their case to obtain justice.

[*English*]

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, I am grateful for the opportunity to respond to the amendment put forward by the member for Vercheres. I appreciate his initiative. This has come upon us fairly quickly. He has responded very quickly to the concerns of the steel industry by getting an amendment in by the deadline.

I think his speed and his responsiveness demonstrates the commitment not just of this government but indeed of this Parliament to both the management and the workers in the steel industry.

In the all–party steel caucus that support is obvious at every meeting. We sit around the table, people from all parties and management and labour, working together. It really is quite an exciting experience to be part of that particular group here where usually the setting is so highly partisan.

I should point out that we did have the opportunity yesterday to speak with the minister. He pointed out to us the difference in the wants of the way we legislate and the way the Americans legislate. It is much more their style to put a lot of details into their legislation whereas it is more our style to keep things pretty clean and put the details into regulation.

Yesterday the minister did not seem to be adverse to the idea of those concepts in the amendment in the regulations, however he pointed out to us that it was going to require as the parliamentary secretary pointed out the involvement of the Minister of Finance. He could not speak completely freely at that meeting knowing he had to get a cabinet colleague on side.

I would like to inform the mover of this amendment and those who are supporting him that I happen to know that this issue has been brought forward to the Minister of Finance in the last 24 hours by the Deputy Prime Minister. We now have three members of cabinet responding to the concerns of the steel industry as my colleague across the floor has responded today.

Keeping in mind that those three members of cabinet will work together on it, I think I can assure him that the general intention of what it is he wants to achieve will probably come forward. However, the idea of this amendment does not seem to be true to the Canadian tradition of how we write legislation and therefore I will have to join the parliamentary secretary in voting against it.

I would also like to assure the member that within the steel caucus we will continue to press to make sure that these things are achieved but in a more subtle way.

• (1650)

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I will be brief, first of all because the member for Verchères has explained quite well the theoretical and practical basis of his amendment as well as the need for it.

I find somewhat deplorable that members opposite have completely ignored the public hearings that we held with representatives of different industries. It is as if those public hearings were absolutely useless. I think it is a waste of time. Not only have we wasted time, but if we added up all the consultations that this government has done in the last year, we would probably find that vast sums have been gobbled up practically for nothing since the government always ends up doing what he intended to do anyway.

Members opposite recognize that the amendment is essentially good but they say they would prefer doing it by way of regulations. Let us not forget that regulations do not have the scope of an act; members opposite probably know that as well as we do. Actually, it is probably the reason why they are opposing this amendment to the act.

People often say that they are all for virtue, but such an assertion is not enough to guarantee that virtue will prevail. I think that in a way it applies to anti–dumping. The fact that the Uruguay Round prohibits dumping is not a sufficient guarantee that it will not occur. Therefore Bill C–57 must provide for a means to face the problem when it arises because it will.

We all know that dumping is an unfair trade practice. It can be so harmful to the industry against which it is used that it may make it disappear. In order to avoid such consequences, the GATT agreement prohibits dumping. However, it is incumbent upon the industry victim of dumping to prove that it has suffered a prejudice so serious that its future is threatened.

The amendment we propose defines the factors for determining such prejudice, which is not provided for in this bill. In the absence of guidelines, the injured industry would be unable to present its case in an appropriate way. Nevertheless, the United States could be used as a model in that regard. Therefore I invite the government to support the amendment.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on Motion No. 10, standing in the name of Mr. Bergeron. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion, the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, the recorded division on the motion stands deferred.

[*English*]

The House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House.

• (1655)

And the bells having rung:

Pursuant to Standing Order 45(5)(a), I have been requested by the chief government whip to defer the division until a later time.

Accordingly, pursuant to Standing Order 45(6) the division on the question now before the House stands deferred until Monday at the ordinary hour of daily adjournment at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

YUKON SURFACE RIGHTS BOARD ACT

The House proceeded to the consideration of Bill C–55, an act to establish a board having jurisdiction concerning disputes respecting surface rights in respect of land in the Yukon Territory and to amend other acts in relation thereto, as reported (without amendment) from the committee.

Hon. Brian Tobin (for the Minister of Indian Affairs and Northern Development) moved that the bill be concurred in.

(Motion agreed to.)

The Acting Speaker (Mr. Kilger): When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed

Mr. Tobin (for the Minister of Indian Affairs and Northern Development) moved that the bill be read the third time and passed.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, it is a pleasure to rise and address the House on third and final reading of Bill C–55, the Yukon Surface Rights Board Act.

I begin by thanking hon. members for supporting this bill at second reading. My colleagues clearly see the need to proceed with this bill because it will bring positive and lasting change to the Yukon. We appreciate their contribution to second reading debate and ask the House to once again give positive consideration to this legislation.

Bill C–55 will establish a new surface rights regime in the Yukon, a regime that will serve and protect the interests of all residents of the territory. As well, this final piece of legislation is required to allow implementation of the Yukon First Nations land claim and self–government agreements to proceed.

Clearly we only have one reasonable course of action. We must proceed with this bill as quickly as possible. We must live up to the crown's commitments to build new relationships with Yukon First Nations. In doing so we will open the doors for economic development, job creation and other social benefits for all residents of the Yukon.

Yukoners are virtually unanimous in wanting this bill to pass quickly. The minister has received letters, for example, from the Yukon Chamber of Mines urging the government to pass this legislation. Yukoners want and need the certainty of the economic development opportunities that this bill and the land claims settlement will bring.

Hon. members are aware that the surface rights board that will be established by Bill C–55 is a requirement of the Yukon umbrella final agreement. The creation of this board acknowledges the changing face of land ownership in the Yukon. It is an excellent example of foresight, planning and preparedness by government.

As land claims in the Yukon are settled, large tracts of land will be confirmed as First Nations land. Other residents of the Yukon will also be able to more readily acquire land as private owners. The crown's current role as primary land owner in the territory will gradually be eliminated.

• (1700)

At the same time, the certainty of land and resource ownership that will result will rekindle interest in subsurface minerals, including minerals on privately held land. In support of resource development and resource development initiatives, a new mechanism of public government is needed. This will ensure that access rights are available to those who want and need to use the land.

That mechanism is known as the Yukon surface rights board. It has been modelled on similar boards operating in Manitoba, Saskatchewan, Alberta and British Columbia. This board will resolve disputes relating to both settlement and non–settlement lands throughout the Yukon. As has already been said, we anticipate that most of these disputes will involve access to land for exploring for or developing subsurface mineral resources.

We want to emphasize that the Yukon surface rights board will have a range of known and definite powers for resolving disputes. These will include the power to issue access orders, to establish terms and conditions of access, and to award compensation for access or for damage resulting from access. However, Bill C–55 will require people to attempt to negotiate access in compensation agreements before bringing a dispute to the board. The board will only be asked to resolve disputes where no such agreement was possible.

Orders of the Yukon surface rights board will be enforceable through the Supreme Court of the Yukon Territory. Decisions may be appealed to the court on limited grounds, such as bias or lack of procedural fairness.

We also want to stress that the board will take a balanced approach to its work. Bill C–55 ensures that all sectors of the Yukon society will have an opportunity to participate in the important decisions that need to be made.

Under the terms of its land claims agreement, the Council for Yukon Indians will have the right to nominate one–half of the members of the surface rights board excluding the chairperson. Yukon Indians will also be guaranteed representation on any panel created by the board to deal with matters concerning settlement lands. This will give aboriginal people an important and effective role in decision making relating to surface rights.

The remainder of the board's members will be nominated by the federal government. The minister intends to ensure that all interests in the Yukon are represented on the board. It will become a practical example of resource co–management that can be replicated in other jurisdictions.

Bill C–55 was drafted with cost efficiency in mind. It provides a less costly and time consuming option than the courts for addressing issues of access and compensation. The requirement for negotiation and possibly mediation before bringing a dispute to the board is also intended as a cost saving measure.

As hon. members are aware, this bill is based on extensive consultation with representatives of the Yukon First Nations, the territorial government, the mining industry and the Yukon general public. Many of these parties have been directly involved in drafting this legislation. Consequently, Bill C–55 is fair and responsible to everyone with a stake in the future of the Yukon.

As a result of the unprecedented consultative process, we have been able to reach a general agreement on the principles of this bill. We have also reached consensus on almost all of its provisions.

As I said at the outset, we have no reasonable alternative but to proceed with this bill. Parliament's endorsement of this legislation is critical to the process of settling land claims in the Yukon and bringing the fundamental democratic right of self–government to Yukon First Nations. It is vital that we uphold the crown's honour by fulfilling our obligation to Yukon First Nations under the land claims agreement.

Bill C–55 is also sound, responsible and necessary legislation in its own right. It will bring decision making closer to the people affected. It will provide a known regime for obtaining access to private and public lands. This in turn will facilitate economic development and provide a level playing field for Yukon industry compared to other areas in Canada. This will ensure that resource development projects will go ahead after many years of delay and frustration.

Bill C–55 will also give Yukon Indians the chance for a new partnership with governments and non–aboriginal Yukoners. This is a goal that is supported by all Canadians. I therefore urge my hon. colleagues to agree to send this legislation to the other place after which an order in council can be approved to proclaim this legislation into law.

• (1705)

Combined with the Yukon land claims and self–government legislation, Bill C–55 will help bring about positive changes that have been long envisaged in the Yukon.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I think it will not come as a surprise that, of course, we will support the bill, as we did for Bill C–33 and Bill C–34.

In fact, I say that it would be illogical not to adopt the bill now before the House, Bill C–55, since it will give effect to bills C–33 and C–34. Knowing the Yukon's concerns and since, as the critic responsible for these matters, I kept up with them for the whole session, we will be totally logical with ourselves by supporting the bill.

The bill is giving effect to Bill C–33 and Bill C–34. Before making a short description of these bills, I want to remind members that I went to the Yukon, this year. For me, it is the best way to deal with the issues and to see the way native peoples live.

Most of the members who will speak on the bills now before the House will do so without having visited the communities concerned. For my part, if possible, I try to go to these places in order to better understand the feelings of the people there and also to become aware of their quality of life.

I met some really remarkable people in the Yukon, very tolerant people who have also been very persevering. It was said repeatedly that these negotiations required 21 years of efforts before they could be concluded. Yet, we have to realize that the injustices do not go back only 21 years, but much further. When you become aware of the native way of doing things, of the way they see the world, you realize that from the very beginning, from the day the first Europeans came to the Yukon, aboriginal people accepted willingly to share their territory with them, but without relinquishing in any way their native rights, their rights as first occupants.

When the economy developed and when aboriginal people realized that they were excluded from that development, they understood that it was necessary for them to have a say about economic development and resource management on their land.

This is where we are today, after years, decades of injustice and after 21 years of negotiations. Bill C–55 will put into effect Bill C–33, which dealt with self–government. With that bill, and in some areas of activity, we were saying to aboriginal people: "Here, now, instead of designing and managing programs from Ottawa, we are letting you decide in areas like education, health, etc." I think we really have here a way to solve the major problems we find on reserves.

It is an interesting solution, because for too long we have had a very paternalistic approach to their problems and we simply pushed them into a situation of extreme dependency. Often, there is no economic development because their land base is very limited, and the resources they have access to are also very limited. Therefore, they cannot flourish economically.

The Auditor General revealed this week that close to 40 per cent of the native population is heavily dependant on either welfare or unemployment insurance. I visited reserves where the unemployment rate was around 80 per cent. It is painfully obvious that the way we deal with the native situation is outdated and does not work. What we have here is an example of how to help native communities help themselves.

• (1710)

When they manage their own affairs, not only are they no longer dependent on the bureaucracy in Ottawa, but they are in tune with local concerns. You know that when it comes to education and health matters, the native way is often very different from ours. Their approach is much more holistic, more respectful of the environment they live in. I believe that it is important to ensure that powers which used to belong to Ottawa be transferred to native communities. Bill C–33, which was passed recently, gives native people authority over some specific activities. It is the way of the future.

I referred to Bill C–33, which deals with self–government. Even though it is a different matter, it has something to do with the fact that one must ensure that the land which is given back to native people will contain enough resources to allow them to opt out of the Indian Act. As I mentioned before, this act keeps them in a state of extreme dependence. The land base arrived at in the agreement with the Yukon and the main stakeholders who have signed so far, will ensure that they will be able to become economically independent.

We could point out the importance of the board. The board is very important for the very simple reason that it must settle disputes. In the Split Lake agreement, for example, the lack of a

board to settle disputes is rather obvious. What would happen without a board such as the one proposed in this bill? The courts would systematically be called upon to settle disputes.

We realize that there might be hundreds of disputes, that people are waiting for their cases to be resolved because we know how heavy the courts' backlog is. The board proposed today will clear some of the backlog by settling disputes concerning both rights and territories.

We also at one point toyed with the idea of proposing amendments. However, after consulting with Yukon first nations, we concluded that it might be better not to define the rights and interests because they said that the nations could probably agree among themselves on what these rights and interests are.

We also played with the notion of person because, as you know, the agreement before us covers four first nations out of 14, if I am not mistaken. Another 10 or so are negotiating or close to a settlement. We were concerned at one point that the notion of person would only apply to signatory nations. However, after discussion, we realized that the term "person" had a broader meaning. As a result, the board will be able to settle disputes not only among the first nations that have signed the agreement and are subject to the act but also with the first nations that have not signed it yet.

That is why today we will support the bill without amendments as such.

Why do we support the bill? I think I have just given a few of the reasons: the Natives' desire to manage their own affairs along with the Canadian government's intention to stop placing Indians under its guardianship. I think that this government has announced its intentions, including a pilot project in Manitoba among other things. Let us say, however, that after almost 100 years the government finally realized that the law was obsolete and did not achieve its objectives and that it was imperative to completely alter the way we deal with Natives.

The government is willing to make these changes. Of course, Bloc Quebecois members also realized very quickly that changes were needed. One only has to visit some reserves a number of times to see that the system does not work. Avenues of resolution lie before us and the Bloc Quebecois will certainly agree that a new approach must be taken involving self–government and land claims.

• (1715)

As for respect for aboriginal cultures, if there is an issue that is truly fascinating, this is it. There are 635 communities living on reserves in Canada. I am limiting my comments to aboriginal people living on reserves, because you notice that many no longer do and this is the kind of unique dynamic that they have to deal with. There is the whole issue of the Metis, and the Inuit as well, because they too are very preoccupied with not being drowned by such concerns, by aboriginal concerns. In fact, they say so, every chance they get.

Coming back to aboriginal communities, to the 635 of them. This is a really fascinating issue, because although they belong to first nations and often speak the same language—there are approximately 50 aboriginal languages you know—we notice that from one of these 635 communities to the other, these aboriginal people all have their own way of looking at things. And that is what makes aboriginal affairs such a great challenge. It is a fascinating issue.

So, the agreement before us concerns aboriginal nations of the Yukon. Yukon has a rather unique history and the aboriginal people are proud of having shared in writing it with the Europeans. I can say, having travelled myself to that part of the country, that these people took me to see magnificent sites, including the Yukon River. It was beautiful at the time of year when I visited. Because of the glaciers, the river was completely transformed, taking shades of blue like I had never seen, except perhaps at sea or from a beach, watching colours change as the horizon becomes indistinct. But in the Yukon, the depth and colour of the river were really amazing. They are proud to say that they have shared this territory with others.

I was taken to a mountain where the first Europeans supposedly went to see the midnight sun. I had never seen the midnight sun. I found it thrilling. I was taken to the Klondike, now Dawson City, and we are proud to see that there was a happy coexistence between Europeans—I was even given the opportunity to try to find gold. I was assured that I could find gold, but unfortunately I could not take the time to do it. I spent more time trying to fish on the river and perhaps I did not catch any fish, but I did not get any gold either. I met some wonderful people there and I tell you that the trip was quite what I expected, a realization that those people are extraordinary and live in a wonderful place.

As I said at some length before, the inhabitants will have the resources needed for economic development. I think that with the areas granted and the degree of responsibility that these people will have—and they have been waiting to take control of their lives for a long time—I think that their future is now assured. They will have both the land base and sufficient economic resources to break from the tutelage of the Indian Act.

They will also be able to ensure their identity as native people. Several examples to illustrate this point could be mentioned. Let us take a very specific one, housing. One need only go to the reserves to see how all the houses are alike. It is so because the houses and the housing development plans were designed in Ottawa, and also because the budgets were usually rather limited. So, the question was: How are we going to build adequate houses, but without any frills? The result was that

these houses were often all identical and that the aboriginal culture was not taken into consideration.

It is important to them to ensure their development while also affirming their cultural identity. I think you will see a major change in the way native people will do things in the Yukon. I believe they will give us quite a demonstration. I am anxious to go back there and see how things will have changed in a few years. I hope that by then Quebec will be an independent country. However, it will still be possible to go to the Yukon because we have no intention of building a Berlin wall between Quebec and the rest of Canada. I will always be happy to visit the Yukon, look at the new way of doing things and see how these people will have taken control of their destiny and ensured that their culture is reflected in the decisions they will make.

This legislation puts an end to the uncertainty regarding territorial rights, land titles, cutting rights as well as mining rights.

• (1720)

Indeed, there was a great deal of uncertainty before, but things will finally be settled.

Negotiations lasted 21 years and surface rights had to be established to confirm ownership and rights over usable land. I briefly alluded to this earlier and I do not think it is necessary to go over that again.

Bill C–55 proposes the establishment of a board having jurisdiction to settle disputes. I also mentioned that point earlier and I made a comparison with Split Lake, where no such board exists and where arbitration problems are mounting. If such a board was established there, a large number of disputes would be settled without having to go before the courts. This is an original idea that will also save a lot of money to a lot of people.

Given the current state of public finances, it is very important to make good use of our money. I believe that this board will result in savings, considering the legal costs generated by all those endless disputes which would often end up in the Supreme Court. These people would rather settle things differently, more or less by consensus, which is the way democracy works. The board, through its membership, and I will come back to this later on, will solve these disputes.

It will be a last resort and it will represent a true transfer of jurisdiction to the first nations.

I want to say a little more on the housing and health issues, and also discuss infrastructures. We know that the government has spent a lot of money on infrastructure. I have personally visited several reserves and, as I mentioned yesterday in this House, I was stunned to see how dilapidated housing on the reserve is, but also that a large number of houses have no water system, no sewer and no running water. In Canada, we boast about our remarkable quality of life. But we tolerate these things, which only go to show that the Indian Act provides no solution at all. We boast about the remarkable quality of life in Canada, but the native people are living in what I consider Third World conditions.

With this kind of bill, and bills like C–33, C–34 and C–55, people will be able to invest their own resources in whatever basic infrastructure projects that might meet their own needs. This is not only a step in the right direction, but also the way to nip the problem in the bud.

I will now turn to the membership of the board, because I see that the private members' hour is coming up soon. The board will be made up of 3 to 11 members. What is original here is that the native people will have their say in the appointment of these board members. Since we are giving natives a land base and granting them self–government, it would be a bit silly to seize the very first opportunity we have to set up a board and appoint only white people. Of course, in Yukon, the majority of the board members will be natives. I think this is an adequate compromise. Half of the board members will be natives appointed by natives.

It is equally important that the people making up the other part of the committee also come from the Yukon. Personally, I have a good knowledge of native affairs, but I would feel very uneasy if the minister or the government chose me to sit on the Yukon committee. It would be ill advised on my part to say that I know that community and that I want them to benefit from my great wisdom. I think that the days when Ottawa could impose its wisdom on the regions and on the native communities are over and I think that the bill before us reflects a desire to help the First Nations take their own destiny in hand. Therefore, there must be a native component in all of the various committees so that the policies and the plans of the First Nations are reflected in reality and that the natives are free to take the directions they want.

• (1725)

I would be remiss if, before concluding briefly, I did not also mention Quebec's experience. I believe that Quebec's experience, notably the James Bay Convention, somehow sets a standard. I say this every time the issue of self–government comes up, and I say it again: I believe that the James Bay Convention set a standard which truly serves as a model elsewhere in Canada.

So I think it was very interesting in this regard. I would be remiss if, every time we have an opportunity to talk about self–government, I did not mention it, because that convention

was signed in 1975. I am not saying the agreement is perfect since there are no perfect agreements. They often are the result of a fine compromise. But even if it is now being attacked by the Cree nations, as some colleagues of mine said this week, we must consider that in those days, at the time of the signature, people were very happy with that document. Today, many provisions of the James Bay Agreement apply even in Yukon and I think many parts of the James Bay Agreement served as a model for the regulations on self–government that were adopted here, after that legislation.

There is wide consensus also in Yukon. Of course there are a great number of natives in Yukon, but there are also a great number of people of other nations who shared the territory with the native people. I say share, but I am being generous in saying that because, down deep, there was no sharing. It is more like the natives had to share part of their territory because the mining companies established themselves there. Perhaps these companies gave work to a few natives in the region, but we must admit the resources extracted from the Yukon territory did not really help finance the solution of the native issues in Yukon.

Therefore we will remedy the inequities with a proper compromise. The consensus is wide enough, even in the Yukon. The Yukon government agrees on that, the Mining Association agrees on the proposals that are before us. People realize that there have been inequities for too long and that negotiations have taken place for 21 years. Finally, I want to say that the last page of paternalism in Yukon has been turned today, that we are putting an end today to an era that may have been useful at the time for some people, but surely not for the native people, and that a new era in which native people will take control of their destiny, in which there will be no dependence towards the federal government, is beginning.

These people will now be able to tell their children and grandchildren: "That happened in 1994". And if we consider their attitude during the negotiations, and their perseverance, for decades, from generation to generation, these people have been saying: this must be changed, and they persevered, so that today, we are turning over a new leaf, and as a result, aboriginal people, I am positive, will be much better off, as far as their culture, natural resources, territory and their relationship with non–aboriginal people in the Yukon are concerned. From this day onward, there will be no more dependency. They have started something new, and I am looking forward to seeing how things will evolve, and from now on we will see that we made the right decision in 1994.

I want to congratulate all first nations who, I know, are listening to us today. Today is the culmination of all these negotiations, and of course the Bloc is delighted to have been a part of these discussions, and in concluding, I want to thank them for their cordial welcome, and I am so happy that we were with them throughout this process, and the Bloc Quebecois is pleased to say that they will support this bill.

[*English*]

The Acting Speaker (Mr. Kilger): 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*]

GRAIN EXPORT PROTECTION ACT

Mr. Ray Speaker (Lethbridge, Ref.) moved that Bill C–262, an act to provide for the settlement of labour disputes affecting the export of grain by arbitration and to amend the Public Service Staff Relations Act in consequence thereof, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to have the opportunity to speak in support of my Bill C–262 respecting the Grain Export Protection Act. The bill deals with an issue that grain farmers in western Canada and in my constituency have been addressing and wanting to address for some time.

For 11 days last January and February a labour dispute at the Vancouver ports disrupted the flow of Canadian grain to export markets. It is estimated that Canada's grain industry incurred losses of hundreds of millions of dollars.

The federal government responded by introducing special back to work legislation, Bill C–10, to end the dispute and resume the flow of grain. Far from being an isolated case, it marked the 13th time that the workers were legislated back to work since the year 1966. Bill C–262 provides a permanent solution to this chronic problem by amending the Public Service Staff Relations Act to prevent labour disputes from disrupting the flow of grain from the farm to export.

In cases where grain transportation is threatened by strikes or lockouts those actions are prevented. To settle such disputes the bill provides for a settlement mechanism known as final offer selection arbitration. The process is only utilized if the parties involved are unable to reach an agreement through the normal collective bargaining process.

For those who are not familiar with final offer selection arbitration, let me quickly mention some of its key features. First, the trade union and the employer are requested to provide the minister with the name of a person they jointly recommend as the arbitrator.

Second, the trade union and employer are required to submit to the arbitrator a list of matters agreed upon and a list of those matters still under dispute. For the disputed issues each party is required to submit a final offer for settlement. The arbitrator

then settles either the final offer submitted by the trade union or the final offer submitted by the employer. The arbitrator is not permitted to split the difference. In the event that one party does not submit a final offer the other side is automatically accepted. The arbitrator's decision in these matters is binding on both parties.

Why was the final offer selection chosen? This dispute settlement mechanism used by the federal government in Bill C–10 was chosen to force the negotiating parties to make a greater effort at settling their differences by themselves. By compelling each party to submit a final best offer and by preventing the arbitrator from splitting the difference between the two, the mechanism creates a strong incentive for both parties to submit a credible, constructive and economically realistic offer for settlement. Any party that tables an unreasonable final offer would be taking a huge gamble the arbitrator would choose the other party's proposal. It is hoped that the existence of the process will encourage negotiating parties to reach agreements before it becomes necessary to have the arbitrator choose one offer or the other.

Since 1966, as I have mentioned, the federal government has had to pass special back to work legislation in the areas of longshoring and grain handling 13 times. The cost of such disruptions to grain farmers and the grain industry is tremendous. The Western Wheat Growers Association estimated that the 11–day work stoppage which was ended by Bill C–10 of this year cost the grain industry some $35 million in demurrage, penalties and out of pocket expenses.

• (1735)

When the Minister of Human Resources Development spoke on Bill C–10 he stated that the strike was threatening some $500 million worth of grain sales. That is not acceptable.

The frequency of such work stoppages over the past 20 to 30 years has also made foreign buyers question the reliability of Canada's grain supply. The most recent work stoppage at the west coast ports so concerned Japanese canola importers that they have begun offering Australian farmers minimum pricing contracts to encourage them to grow canola.

Another reason Bill C–262 is necessary is the vulnerability of western grain farmers to work stoppages in these industries. To illustrate just how vulnerable grain farmers are, let us consider this example. In 1988, 30 per cent of the country's grain exports were halted by 69 grain handlers in Prince Rupert. As usual the federal government was compelled to legislate them back to work after a few days.

One source of the problem is that Canada's transportation network has failed western grain farmers by limiting the options available to them in moving their grain to market. This is largely a result of the distorting effects government policies such as the WGTA subsidy, the Crow benefit, have had on the development of the nation's transportation structure.

Another source of grain farmers' vulnerability is the composition and location of Canada's grain markets. Approximately 80 per cent of Canadian grain is exported and most foreign buyers prefer loading out of west coast ports.

Finally there is a combination of legislation, regulations and purely economic considerations that has made it uneconomical or impractical for farmers to ship grain to export markets via such alternate routes as Thunder Bay, Churchill and American west coast ports.

On average the federal government has had to legislate grain handlers and longshoremen back to work, as I have said, about once every two years. Each time it happens grain farmers lose control over their livelihoods and their lives. Why should we not settle the issue once and for all instead of waiting for the next time it becomes necessary to rush through emergency back to work legislation? There is no need to have next times because with Bill C–262 we can resolve the problem once and for all.

One question asked is: Does Bill C–262 not violate the right to bargain collectively? I want to say very clearly that Reform is not anti–labour. That is not the intent of the bill. It is not a bill about union busting. We fully support the principle of collective bargaining. As a member of the legislature in the province of Alberta I have spoken a number of times in support of the process. However we also support the right of farmers to earn a living. We believe that governments have a responsibility to protect western grain farmers from ever again having to incur the costs they incurred during past strikes and lockouts.

In the sectors affected by the bill, that is the grain industry itself, the right to bargain collectively and to strike or to lock out employees is presently somewhat of a fiction. All the parties involved realize this very fact. Why do I say that? It is fiction because the federal government is always compelled—and the history is there—to intervene to end such work stoppages within a matter of days. The proof for this statement, as I have said more than once already in my remarks, is that the federal government has had to legislate the workers back to work some 13 times since 1966.

• (1740)

In a properly functioning labour environment with employers and employees they both have to take into account costs in the form of lost wages or in the form of sales. Then the question about strike action becomes something different. Normally this is a powerful incentive for both sides to reach an agreement at the bargaining table.

However this normal safeguard does not apply in the case of longshoring and grain handling. The knowledge that any work stoppage in these areas will not be permitted to last for any length of time has been factored into the negotiation process for the parties. They do not fear a strike nor a lockout knowing it

will not last too long. They know the victims in the process will not be the employers or the employees but western Canadian grain farmers because in the end they pay the bills.

When I look at legislation such as this I wonder whether or not it should be permanent legislation. I do not believe it should be permanent. We in the Reform Party hope that at some point we could take the legislation off the books. Such legislation is presently necessary due to a number factors. Western grain farmers have no choice but to export their grain via one transportation route. If they had the option of shipping their grain via route *a* or via route *b* when there is work stoppage there would be no need for Bill C–262.

This is one reason a Reform government would work to create a more flexible and efficient transportation network. Transportation reform is one of a series of measures which Reformers believe would empower farmers by giving them greater flexibility and control over their own livelihood. When such reforms are put in place there would be no need for legislation such as the private member's bill before us today. At such a time the legislation could be repealed with no harm to grain farmers. Until such reforms are made Reformers believe the government's priority should be to protect the western grain farmer.

If in the future after Bill C–262 has been repealed and there is some combination of events that threatens western grain farmers again, we would not hesitate to bring back into effect that kind of legislation.

I look at Bill C–262 as a private member and as a farmer from western Canada. I was involved in each work stoppage that occurred over the past 13 years either as a member of the legislature or as a farmer who wanted to ship grain to meet my expenses and commitments as a farmer. I was always frustrated.

I remember in the legislature moving resolutions that the provincial government should go to the federal government and get the work stoppage stopped so that farmers could start shipping their grain and getting out of some of the financial stress they were facing. The provincial government said it was a federal matter. Often it stayed that type of thing even though members of the legislature in Alberta agreed that something should be done.

I remember as a farmer saying: "I know I am paying the bill but I cannot sit at the table. I have no place at the table as a farmer even though I am paying the bill in order to make my case. There is no one at the table representing me". The grain companies did not have the vested interest of the farmer. We could not say anything to the grain companies. We could not say anything to the longshoremen. They were not responsible to the farmer. It had been and still is a very frustrating and difficult problem.

I always said that if I had the opportunity something should be done where the farmer is represented at the table. The bill empowers the federal government to be at the table and to say to the 23 or 25 unions between the farm gate and the hold of the boat that if they move to a point where they can negotiate no further at the table they must move to arbitration. You present your case at the table the best you can. If you win you get that settlement; if the employer or the shipping companies win then that is the settlement. That is the way it is. We would be a little more involved as a farmer in an indirect sense, the federal government would represent us there.

• (1745)

What happens now under the circumstances? What happened in January and February 1994? Again we had work stoppage. Farmers were in difficulty. The government was being pressured to bring in a bill to put these people back to work.

Then it becomes a political item. Should we force labour back to work or not? Should we get involved or not? What are the politics of it? Are the farmers stressed or are they not? Do we want to represent the union? We do not want to lose their vote out there.

All of a sudden here is the farmer of western Canada in terms of his financial circumstances and his marketing capabilities being involved in a political process. He should not be involved in this type of circumstance. As far as I am concerned, that is wrong and it should stop.

It is incumbent upon this government to look seriously at this proposal and take some action. I know that western farmers would shout hurrah and be excited about it. They would want this type of action from the government. They are getting tired of being pawns of these few longshoremen who are paid very high hourly wages, exorbitant wages, for the jobs they are doing out on the coast.

I have said this in the Alberta legislature and I have said it publicly to the media and in a variety of other places. We as farmers were so disgusted with the circumstances out there. I said that I could train 25 to 40 of the young farmers from my constituency in two weeks or less and move them out there. We could take over those jobs and we could continue to get our grain on the boats and move it forward.

I can tell you a lot of young farmers were so upset because of this strike, with people getting paid high wages out there and having no consideration. Living on the coast at Vancouver, sitting out on the port where the water never freezes over, or sitting up at Prince Rupert where there is not any kind of agricultural environment, there is no loyalty, no communica-

tion, no concern for that farmer. That farmer is out on the flat prairie trying to survive under not only very adverse climatic conditions but economic conditions as well.

This bill should not be taken lightly by government. The normal practice for this kind of thing is that if a private member introduces and presents a bill on the floor of the House of Commons or in a legislative environment, just because it comes from a private member of Parliament from the opposition the first knee–jerk reaction is for government members to come up with one reason or 10 reasons to reject the bill.

Government members do not think about the merits of the bill and whether it will it work. They often think about who is going to get the credit. Well, I could not care less who gets the credit, but we should think about the idea behind the bill and consider it sincerely so that we can solve this problem once and for all for the farmers of western Canada.

That is my case. I leave it with this House of Commons. I am certain that western Canadian farmers, the agriculture industry, are very interested in these kinds of changes. I urge my colleagues to give it their utmost support and consideration.

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, because of time constraints I will give an abbreviated version of my speech. The comments of the hon. member are interesting especially in light of his saying that we should be looking at the idea behind it. Perhaps the idea is most commendable. It is a question of whether this legislation meets the needs we are looking at.

I would like to begin my remarks on Bill C–262 by noting that we have been asked to look at what I regard as a very unusual piece of legislation. The author of the bill, the hon. member for Lethbridge, has titled the bill the grain export protection act. I say it is unusual because the House is very seldom asked to pass legislation that seeks to protect an economic activity from the participants themselves.

• (1750)

We have passed legislation that protects people from dangerous products or dangerous working conditions and we have passed legislation that protects consumers from unfair competition. In Bill C–262 in contrast we are being asked to pass a piece of legislation that seeks to protect an economic process, which is the transportation of grain, from the participants who are capable of slowing down or stopping the transportation process.

The first question I would ask with regard to the stated intention of the bill is, who would the bill affect if it were to be passed? What companies and trade unions in the grain handling and transportation industry would be covered?

A shutdown of the national railway system or a shutdown of one of the major terminal elevators would certainly affect the transportation of grain and would come under the scope of the bill. What about a shutdown of one of the transfer elevators on the Great Lakes or along the St. Lawrence seaway system? What about a shutdown of the Prescott elevators or the Sorel elevators near Montreal? Would the legislation apply to the companies or unions at these points? They are involved in the transportation of grain to the export market.

Obviously, the scale of operations of these companies is much smaller than the terminal elevators at Thunder Bay or Vancouver. Therefore it is questionable as to whether or not they should be included. Unfortunately, the bill is unclear on this point and we are left to surmise for ourselves as to the companies and workers who might be covered by the bill.

I should like to emphasize the important role played by grain farmers throughout Canada to our national economy as indicated by the hon. member. As we examine Bill C–262 we will want to keep in mind that we are assessing the relevance of this bill to grain farmers principally in the prairie provinces as well as the men and women who work in the grain transportation system across Canada.

Mr. Speaker, as I said, this is an abbreviated version of my speech. The management of the grain transportation and handling system is a complicated matter. There are an untold number of factors that contribute to the success in the operation of the system and there is an equally wide number of factors that can go wrong. The experience of this past year with the difficulties in the grain hopper car supply and weather conditions illustrates this point very well.

When we look at a bill such as C–262 and the drastic measures it proposes, we have to keep in perspective the fact that industrial relations is only one dimension in the workings of this very expensive and complex system.

I feel extremely uneasy about one implication of this bill which I believe should be highlighted. That is the fact that it seeks to ameliorate the conditions of one group in the western economy by restricting the rights of others, namely the parties involved in the grain handling and transportation system.

I would suggest that it would be an extremely questionable act for the House to enact such a measure. I say this especially in view of the fact that many of the difficulties in the prairie grain economy are attributable to the international competitive environment and the difficulties we experienced earlier this year with the hopper car situation.

I seriously doubt that the proposed legislative amendments would have the desired effect for the prairie economy and may in fact have negative implications for the agricultural sector.

There is well founded evidence in those countries that have institutionalized the use of arbitration that work stoppages albeit illegal in nature continue to occur. In addition the arbitra-

tion process can result in settlements which are not always reflective of the mutual interests of the parties.

The export of Canada's grain and its delivery to domestic markets depend on the vital activities of many companies and their workforces. On occasion the reliability of grain transportation and handling can be inconvenienced by work stoppages involving players in the system.

Hon. members will be aware there have been occasions in the past where the particular party in power has had to take action in the public interest and bring about a resolution of work stoppages by legislative intervention. However, these infrequent occurrences hardly warrant the passage of proposed Bill C–262 before us which would remove collective bargaining rights and provide for the drastic measures that are contained within it.

• (1755)

We need only look to the experience of countries in which compulsory arbitration is widely practised. That experience is instructive. It indicates very clearly that strikes continue to occur even with compulsory arbitration and that such a measure turns out to be less than the solution or the panacea it is purported to be.

I have stated that there is a widespread consensus on the source of present difficulties in international grain markets and in the measures that are being introduced to help augment the supply and efficiency of grain hopper cars. In view of this reality my feeling is that it would be unfortunate to inflict such a weighty and questionable measure as is proposed by Bill C–262 on the employers and workers in the industry.

Therefore, I have to say that Bill C–262 is not an appropriate measure for regulating collective bargaining in the Canadian grain handling and transportation system. I would urge hon. members of this House not to support the proposed legislation.

There has been mention made of the needs of Canadian farmers and certainly there are losses that occur in strikes. There are always losses that occur in strikes, losses that occur not just to the grain farmers, but losses that occur to the people who work in the industry and to the companies involved. This is part of the bargaining process and labour management and it should continue. Elimination of such processes causes bitter feelings, causes stress and tension. In fact it exacerbates the situation rather than improves it.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, the bill introduced by the hon. member for Lethbrige deals with grain tranportation from the point of production to the point of export.

If we go back a little, we find that this bill has its origin in a work stoppage which occurred last February at the port of Vancouver. To better understand the scope and the reasons of this bill, we must go back in time.

On January 27, in Vancouver, representatives of the Longshoremen's Union and management failed to come to an agreement. The union decided to go on legal strike at the port of Chemainus on Vancouver Island. Two days later, on January 29, management reacted by imposing a lock–out. On February 8, that is 10 or 11 days later, the Minister of Human Resources Development had this House pass Bill C–10 forcing longshoremen back to work. That bill imposed a settlement of the labour dispute. It provided for the appointment of an arbitrator to whom both parties where to submit their final offers. He would then choose one of the two which would be the new collective agreement.

This way of doing things is contrary to the bargaining process since it totally rejects one of the two offers. The object of bargaining is to find a compromise fair to both parties.

At the time, my colleague from Mercier had proposed an amendment which would have made the bill more in keeping with the spirit of collective bargaining. She was proposing to let the arbitrator choose parts of both offers to construct a final offer which would contain elements proposed by both parties. As I said, the essence of bargaining is finding the right compromise.

The amendment of my colleague from Mercier was rejected by the Liberals opposite who argued that their basic idea was the best, and rejected also by Reformers who considered that this bill did not go far enough. They will correct me if I am wrong, but I believe that the bill before us today espouses the same logic. They want to settle once and for all labour disputes affecting the export of grain.

• (1800)

To this end, the bill proposes two measures. The first one is to forbid employees to strike and employers to lock them out, if this strike or lock–out would cause cessation of work by any employee whose work is essential to any stage of the progress of grain from the premises of the producer of the grain to export. The second one is to make grain transportation an essential service.

This is the crux of the matter. Is grain transportation an essential service? You will understand that, for our part, we too are sticking to the same logic as last winter and spring by vigorously opposing this bill.

By removing the right to strike and to lock out, bargaining powers are reduced to nothing. We recognize that grain export constitutes a special case. Last winter, the strike was having devastating consequences for western producers: the grain shipped to port could not be loaded on the 25 foreign ships waiting for their cargo. Some even sailed to an American port to

get their cargo. Obviously, when Canada does not meet its grain export obligations, it has a serious impact on the industry. But we believe that this is not the way to solve the problem.

Many strikes in this industry have ended in ad hoc legislation by the governement. Earlier today, I learned, much to my surprise, that since 1966, in 28 years, no less than 13 ad hoc bills have been passed in order to settle disputes in the port of Vancouver. This is an average of a little more than one ad hoc piece of legislation every two years. Serious questions have to be asked. What is happening there? What is the matter?

Is management taking advantage of those employees? How come the federal government has had to intervene 13 times to settle directly a labour dispute? Mr. Speaker, this might make you smile, but I have a friend who is getting divorced for the sixth time. I told him: "Listen, there is a problem. It is either you or the women you choose. Either you do not know how to choose your girlfriends or you are the problem".

Thirteen bills in 30 years, that denotes a serious problem. I suggest to members of the Reform Party that labour relations should probably be looked at. There is probably a problem in that famous seaport, if not in all the west coast harbours, because it is not normal to have labour strikes every two years.

I have been on strike before, and I was proud of it. An employee on strike loses his salary. His ultimate goal when striking is to put an end to some injustice.

• (1805)

If an employee loses money, the employer should also lose money. I barely had time to say half of what I had in mind, but I will conclude by saying this: unfortunately, the Bloc Quebecois will vote with the government and against the Reform Party, because this bill does not agree with our policies.

In Quebec, we know about essential services, and we associate them with hospital workers, firemen, and policemen, but not with seaports. If we were to let longshoremen become essential services, tomorrow it would be the bulk milk carriers, the day after, workers in feed mills, because people would say: "Oh, those poor cows, sheep, pigs and hens will have nothing to eat!"

Mr. Speaker, obviously this does not make sense, members of the Bloc Quebecois will simply vote against this legislation and support the Liberal Party, in order to defeat the Private Members' bill presented by the hon. member for Lethbridge.

[*English*]

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I would like to address this bill today from the viewpoint of the farmer. I have farmed through all the years that we have had disruptions in the grain handling system.

My career started in 1957. I farmed through about 10 years of fairly decent grain handling activities. We were without strikes until 1966. It amazes me when I hear members on the opposite side today saying how important it is to support labour and management. My colleague from Lethbridge never stressed that it was totally labour's fault that these strikes existed. There was probably some belligerence from the management side as well. The problem in the grain handling system probably lies with both management and labour.

The first strike in 1966 was at a time when farmers had no grain drying facilities. I remember very well how the grain was backed up in 1966. We had decent weather to combine but we did not dare combine because the grain was tough and damp. We had to leave that number one quality wheat out in the field until the weather cooled enough so that we could store it. This is what happens to the farmer in the grain handling system when we have labour and management disagreeing.

By 1972 we had had backups on grain. There were good crops. I remember very well that in 1971 I bought three bushels of barley for $1 because there was no movement in grain. I bought numbered wheat at 70 cents a bushel to feed to my cattle operation.

Grain farmers did not know what to do with their top quality grain. That was the first time in my life that I had ever heard of farmers going bankrupt. It was not due to the farmers nor to their efficiency or work habit. It was due to unions and management not agreeing on a set price.

In 1971, grain handlers got a 66 per cent increase in wages. Farmers were selling their grain for one–third of the price that they should have had. If that is treating people fairly, I never want to be discriminated against.

• (1810)

The hon. member for Saskatoon—Dundurn, who is a lawyer by profession, suggested that there is third party liability in this situation. If two cars driving by his home were involved in an accident, rolled into his house and his house burned, who would pay for it? Would the hon. member pay for it? I bet he would not. That is what farmers have put up with for 30 years.

The Liberals will get no feathers in their hat because they have had as many strikes during their reign as the Conservatives.

If this country is going to survive, the primary producers of our products must be treated fairly. If that does not occur something is going to happen. Hon. members should remember that in 1995 GATT will come into effect. The western Canadian grain farmer will have the opportunity to move his grain through the transportation system in the U.S.

As the hon. Minister of Transport pointed out in his speech in Winnipeg in October, the United States transportation system is 66 per cent more efficient than the Canadian system. The United

States primary elevator system and terminal system is less than half as costly as the Canadian system.

If farmers do not get a decent deal through this bill, in 1995 farmers are definitely going to move their grain through a system outside this country. At that moment the people in the east can start floating their toy boats down the St. Lawrence seaway because that is all they will have. Farmers will not put up with that any longer.

It is important that members opposite and members of the Bloc realize that if we do not give fair treatment to the people on the land who are being discriminated against, those people will no longer support them.

Any political system that allows its primary food producers to go down the drain will itself follow quickly. The slightest blip in the economy will force grain prices down. The 20 per cent of farmers who produce 80 per cent of the food today will be gone. I want to see hon. members on the other side at that time try to import food with a dollar that is worthless.

It is time that we as members of Parliament and the government start addressing the real issues, not the superficial issues. If we do not protect our food industry we will see something happen that this Parliament will wish it had never seen.

Mr. Whelan, the former minister of agriculture, said that we have lost 100 food manufacturing plants in the last 10 years. That tells me that something is very wrong in our system. If that continues another three or four years this country will lose its balance of payments to the point that we will not be able to pay the interest on the debt that Conservative and Liberal governments have put on the backs of our children and grandchildren.

Today, instead of being partisan we should start agreeing and improving the system so that farmers can make a living and support the rest of this country.

• (1815)

The hon. member for Malpeque is a very strong supporter of supply management. If the grain producers do not get a fair deal, his supply management theory will be out the window.

I wish I could impress on Parliament the seriousness of this problem. When I look at the Soviet Union today, which I visited after the coup in 1991, I see a country that has half the agricultural land in Europe, the oil of the Middle East and gold of South Africa, starving. It is an example of what happens when we allow the primary producer to go down the drain.

I hope that Parliament has enough logic and sense to start dealing with these issues. When I see statistics that show it takes the same amount of time to move a rail car from the prairies to Vancouver as it did in 1907 there is something wrong with our transportation system. It cannot be put on the backs of the farmers.

When I see that charges at our elevators are four times as high as in the U.S. it is not the farmers' problem. When the taxes on our terminals are three and four times as high as they are in the U.S. that is not the problem of the farmers.

I hope I have impressed on Parliament that there has to be a solution found to this inefficient, expensive system of grain handling because if we do not find it somebody will do it for us.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, Bill C–262, an act to provide for the settlement of labour disputes affecting the export of grain is legislation which has been needed for many years in the often stormy climate affecting Canada's reliable supply of grain to the hungry world.

I am pleased to rise in the House today to support this private member's bill. Shortly after the newly elected 35th Parliament was opened early this year, the people of Canada were asking us to do something about the prolonged strike of nine locals of the International Longshoremen's and Warehousemen's Union known as the ILWU and the accompanying lockout by British Columbia Maritime Employers' Association representing 70 different west coast companies.

By the time this matter came before us, the economic impact of this major disturbance in the workplace had spread to some 3,500 west coast grain handlers as well as approximately 200 employees of railroads while the cycle of rail car movement also suffered major disruption.

A great many prairie farmers whose grain was not yet being moved suffered major financial losses. Included were demurrage costs of some $10,000 per day for 26 ships in port plus the threat of even more demurrage for 38 ships due to arrive during that week and the next.

The disrupted labour contract had been the subject of prolonged negotiating sessions from July through December 1993, but rather than prompting a settlement the threat of strike erupted into job action at financial costs which were estimated as high as $300,000 per day for wheat alone.

However, perhaps the greatest loss was to the reputation of the Canadian Wheat Board and the port of Vancouver as being reliable suppliers of grain.

We should be aware that both our Canadian production of wheat and world demand for it are increasing. For example, according to figures supplied by the Canadian Grain Commission in its publication, "Grain Statistics Weekly", at the close of business January 9, 1994 farmers delivered 20,900 tonnes of durum wheat; 95,700 tonnes of other wheat; 10,200 tonnes of oats; 85,900 tonnes of barley; 71,100 tonnes of canola; 6,400

tonnes of flaxseed and over a tonne of rye for a total of 291,400 tonnes, all for export.

• (1820)

But the previous week the totals were nearly three times as high; 912,900 tonnes, the vast majority also headed for export. International demand for wheat, especially among customers living around the Pacific rim is growing.

According to a letter from the Canadian Wheat Board called "Grain Matters": "The Far East and Oceania, home to 3.2 billion consumers, could account for 40 per cent of the world wheat trade by the end of the century. Population and income growth, increased urbanization and the resulting dietary shift away from rice, are expected to lead to greater use of wheat based products. Canada could secure as much as 30 per cent of this market".

Such growth in both Canadian productivity of wheat and growth in Pacific rim demand for that wheat could be good news for farmers and for the Canadian economy as a whole. We must ask ourselves what happens in corporate board rooms around the Pacific rim when chief executive officers and boards of directors see shipments expected from Canada being delayed for two weeks or more due to a labour dispute?

Unlike a current TV commercial for coffee, those ships cannot simply be turned around en route. Instead they sit in port while we pay penalties called demurrage. According to figures supplied from both the department of agriculture and the department of human resources the Japanese cancelled some of their barley orders for April over the strike in January. Unfulfilled or seriously delayed orders cause serious damage to the willingness of our customers to buy from us, if they can possibly obtain sufficient grain for their needs in either Australia or the United States.

Nor was the grain handling disruption in January this year a one time occurrence. On the contrary. The need to settle grain handling disputes has been the most prominent issue requiring recent federal back–to–work legislation, starting with the West Coast Ports Operation Act, providing for the resumption and continuation of longshoring and grain handling operations, rushed through Parliament on August 31 and September 1, 1972 and even earlier on the St. Lawrence in 1966.

From then onward until earlier this year the list reads like a sad litany to mourn the failure of the labour negotiation process as regards this perishable commodity: in 1974, 1975, 1976, 1982, 1986, 1988, 1991 and again in 1994.

In part the blame must lie with the excessive taxes caused by a quarter century of excessively high peacetime federal government budgets. As proof of these excessive taxes, in British Columbia tax freedom day according to the Fraser Institute has advanced 49 days during that period of time until in 1994 the average B.C. worker must put in fully half a year's wages to pay his taxes before he can finally draw a full breath and start to work for himself and his family on the first day of July.

Seeing less and less of his pay cheque being left to spend on the necessities of life for himself and his family, at the same time as the prices of goods have been relentlessly driven upwards by the same causes, the average employee wants a bigger pay cheque when it comes time to negotiate a new contract.

Likewise, British Columbia employers continue to be saddled not only with the highest personal income taxes in Canada on the profits, but also as business people with high levels of taxes not related to profits, including business licences and insurance, plus premiums paid for things like unemployment insurance and workers' compensation.

These factors, influencing both sides of labour negotiations, make it harder and harder for all employers and all employees to readily reach new terms once an existing contract expires.

• (1825)

Given the size of our federal debt, now in excess of $530 billion, it is clear that high taxes are not going to go away in the near future. It must also be clear that we need a new method for settling disputes such as the one involving west coast grain handlers whose economic consequences are so widespread. Indeed many members of Parliament, including myself, have received representations from the elevator operators asking that some long term resolution of their dispute be legislated as it has become apparent that the present system simply does not work.

My fellow members of Parliament in the Reform Party caucus and I voted in favour of the government's back to work legislation last February with the understanding that a long term solution must be found so that the federal government need not continue to interfere on a case by case basis in the collective bargaining process.

It was therefore with a great sense of relief that I first read this private member's bill, C–262. It lays down a simple method of settling future disputes precisely along the lines employed in the government's back to work legislation earlier this year as embodied in Bill C–10 passed on February 8. The only difference I can see between the actual dispute settlement mechanisms outlined in private member's bill C–262 and the government's Bill C–10 is that C–262 asked an appointed arbitrator to make his recommendations within 60 days, but allows the arbitrator to appeal to the minister for a longer time if needed, whereas Bill C–10 starts with 90 days instead of 60.

Both of these bills use the last best offer method of dispute settlement whereby either the final offer of the union or the final offer of the employer's association must be accepted in its entirety for matters on which the two have not previously been able to agree. However, nothing in the legislation would prevent the two parties from negotiating peacefully together and possi-

bly never needing to use the new legislation at all. It would be in place if it were needed rather than requiring Parliament to once again rush to interfere if the two parties should again find themselves unable to sign a collective agreement and the shipment of grain again become jeopardized.

In view of the widespread and long term economic consequences of possible future disruptions in handling Canadian grain, I hope that all members of this House who joined together in support of government Bill C–10 will once again be able to join together to support Bill C–262.

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I have listened with interest to the remarks by members opposite on Bill C–262, especially the remarks by the member for Lisgar—Marquette. I recognize full well the impact that labour and management problems, whether in the railway system or on the west coast, have on the farm community. In fact I have been involved in a lot of those disputes over the years.

I think there are ways of resolving those issues through better labour management negotiations other than what this bill proposes. I believe this bill puts too much of the burden on the labour side of the equation rather than on equality between the two. I think it is possible to have labour and management come together. I know as a member on the government side that I will certainly be encouraging the Minister of Human Resources Development to look at ways of resolving disputes before they get to the stage where the system shuts down.

I remember one time I was involved in a dispute where we as a farm organization met with labour. We knew they were going to go on strike in July. The end of the crop year is July 31. We were able to talk to them and prevent them from taking that kind of action prior to the end of the crop year because prices were going down at the end of the crop year.

It is possible to find other ways to resolve labour disputes and we will be working at that as a government in coming years.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93 the order is dropped to the bottom of the order of precedence on the Order Paper.

[*Translation*]

It being 6.30 p.m. and since there are no members to take part in the proceedings on the adjournment motion, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.30 p.m.)

HOUSE OF COMMONS

Friday, November 25, 1994

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

YUKON SURFACE RIGHTS BOARD ACT

The House resumed from November 24 consideration of the motion that Bill C–55, an act to establish a board having jurisdiction concerning disputes respecting surface rights in respect of land in Yukon territory and to amend other acts in relation thereto, be read the third time and passed.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I am pleased to rise today to address Bill C–55. The function of the board will be to resolve disputes between parties concerning surface rights and access to subsurface rights.

As the House knows, this bill is linked to two previous bills passed—let me rephrase that, rammed through this Chamber—that dealt with land claims and self–government agreements in Yukon.

Unfortunately, the passage of Bill C–55 will allow these previous bills to come into force. One of our reasons for opposing this bill is because of its close association with the other two bills. Further reasons to oppose Bill C–55 are derived from its potential to increase bureaucracy, increase government expenditures and create conflict of interest situations.

• (1005)

The umbrella final agreement between the Government of Canada, the Council of Yukon Indians and the Government of Yukon was signed on May 29, 1993.

Chapter 8 of that agreement sets out the requirement for establishing the surface rights board and outlines some of its duties and powers.

Bill C–55 is the enabling legislation to create such a board. I am pleased to see within schedule II, clause 2(1), the use of waterfront right of way on settlement land for recreational purposes is guaranteed and cannot be limited by the powers of the board.

Further, the board cannot deny a person the right to cross and make stops on undeveloped settlement lands in order to reach adjacent lands for commercial or non–commercial purposes. As well, people will have the right to enter, cross and stay on undeveloped settlement land for recreational purposes.

In all, I am pleased that an individual's right to travel across lands in Yukon for recreational or non–recreational purposes will not be subject to stringent entry and exit parameters as established by the board.

As well, another important aspect of the bill is that it does not change the legal rights of miners. I would like to turn to some of the problems that I see contained within Bill C–55. Let us first look at the bureaucracy.

At a time when the government is drowning in deficits and debt, we have to be extremely cautious as to any possible increase in government expenditures. What we see issuing forth from DIAND in the form of land claim and self–government agreements are increased expenditures through increased bureaucracy.

This is demonstrated in the umbrella final agreement and Bill C–55 is simply one piece of a larger, bureaucratic maze yet to be constructed in Yukon. The Yukon surface board is one of five boards, panels, councils and subcommittees yet to be established in Yukon pursuant to the umbrella agreement and previous Yukon legislation.

Yet to be created are the following: Yukon land use council; Yukon heritage resource board; Yukon geographical place names board; fish and wildlife management board and its salmon subcommittees, all to be funded by the federal government. Let me rephrase that as well, all to be funded by the taxpayers of Canada.

In all, when we speak of expenditures and when we consider that Bill C–55 is an agreement dealing with matters within Yukon territory and specifically dealing with matters relating to Yukon Indians, I believe it is only fair to ask these two parties to pay for the operation of the board.

Yukon Indians have been awarded power over resources, power in taxation and they have been given financial compensation for a 15–year period. Given these abilities and given the fact that 50 per cent of the membership of the board are Yukon Indian

nominees, it is only reasonable to ask them to pay their fair share of the costs of the operation of the board.

Our amendment at committee stage would have achieved this cost sharing agreement between Yukon Indians and the territorial government but it was soundly defeated by the Liberal majority. Therefore Bill C–55 will pull more money out of the pockets of the Canadian taxpayer everywhere in Canada since the federal government has so generously agreed to fund the entire cost of the new board.

Let us look at finance. I am pleased to see that clause 23(5) allows the Auditor General to review the financial statements and financial transactions of the board annually. Unfortunately past experience has demonstrated that while the Auditor General has raised concerns over the lack of accountability and expenditures of moneys at DIAND, the department has displayed complete disregard for the Auditor General's recommendations.

However, it is curious that while Reformers proposed amendments to Bill C–34 that would have allowed the Auditor General the ability to review the financial transactions of self–governing institutions making use of federal moneys, these amendments were defeated by the Liberals at committee and in this House.

As well, with respect to the expenditures of the board, I am concerned with clause 23(2) and the notion that the board's budget will include moneys for cross–cultural orientation and education. This seems to be wide open for abuse. I am looking forward to seeing the guidelines for cross–cultural orientation and the expenditures that such an orientation will incur.

• (1010)

Let us now turn to patronage. Other portions of this bill which concern me are clauses 8 and 19. Clause 8 stipulates that members of the board are to be appointed by the minister of Indian affairs. This is a board that is ready for a whole multitude of Liberal patronage appointments. The Liberals have shown no fear in their first year in office in appointing their own cronies to various positions within government or awarding government contracts to the party faithful.

Then again maybe we are being too critical. After all, perhaps it is all a coincidence and like the Prime Minister said they are qualified individuals, they just happen to be Liberals.

Old line parties like the Liberals are incapable of raising their political morality above this age old tradition of appointing old friends and confidants. Accordingly we have proposed an amendment which would allow half of the members of the board to be appointed on the nomination of Yukon territorial government. This would be similar to clause 9, section 2, which permits Yukon Indians to put forward nominees to be appointed. Again our amendment was voted down, thereby ensuring that 50 per cent of the board will be ripe for patronage appointments from Ottawa.

The possibility of patronage does not end with appointments from the federal government. Clause 19 of the bill allows the board to hire consultants and advisers and fix the terms of their employment as well as their remunerations. Again the possibility exists whereby members of the board may seek to employ their closest associates as consultants or advisers.

When and if these people are hired board members can use the Prime Minister's excuse; yes, he is a consultant hired by the board, yes he is very qualified and yes he just happens to be a friend and, best of all, he happens to be a Liberal.

Let us now look at conflict of interest. Following closely on the heels of this possible problem with patronage is the bill's wilful disregard of problems surrounding conflict of interest situations. Subclause 10(3) is very specific in assuring that neither appointments nor an individual's membership on the board shall be affected by the fact that they have an interest in land in Yukon territory.

Therefore it is possible that a conflict of interest may arise since a member of a panel of the board may have a direct interest in the outcome of a case brought before him or her. Again we put forward what seems to be a reasonable amendment to ensure that board members may not sit on panels that are considering matters which may have a direct impact on the interest of that particular member. Again this was voted down by the Liberal majority.

However there may still be hope since clauses 18(a) and 18(b) allow the board to enact bylaws relating to the grounds for removal of members and the assignment of members to panels, respectively.

I would hope that the board in its wisdom and in drafting these bylaws would ensure that a member can be removed for blatant conflict of interest activities and that panels of the board will not consist of individuals who have a direct interest in the outcome of the cases before them.

We in the Reform Party have continually argued for public involvement in these agreements between Indians and government. The government of B.C. appears to have recognized the discontent the populace is feeling with respect to the secrecy of land claim negotiations and has taken some small steps to open up the process.

The public wants to be consulted on these matters and it wants to know how these agreements affect it. As residents of B.C., as residents of Yukon and as citizens of Canada they have a right to know, a right to participate. It is the crown's land that is being dealt away and it is their money that is being scattered about.

While the province of B.C. may be waking up to this reality this government has made no meaningful attempt to include the public in negotiation of these agreements.

• (1015)

DIAND briefing material with respect to Bill C–55 states that the public was consulted by sending the guidelines to major interest groups in Yukon. Not enough consultation? Then how about this: An advertisement was placed in Yukon newspaper announcing the availability of the guidelines for review by the public.

The bottom line is that there was virtually no public involvement and no information relating to the board, its operations, its duties, its powers and how it affects the residents of Yukon. We hear similar complaints over Yukon land claims and self–government agreements.

There were only a chosen few who were aware that such legislation was ready to be tabled. Indeed even as parliamentarians we were not alerted until 48 hours before the legislation was to be tabled in this House.

This government promised consultation. This government promised public input. This government promised to listen. These were hollow promises. Obviously this government is not concerned about the public input. This government is not worried about the public's concerns.

This government is simply worried about expediency in passing legislation that creates more bureaucracy, more patronage, more conflict of interest and costs the Canadian taxpayers a ton of money. With these goals and with the present financial health of the federal treasury it is apparent as to why this government attempts to keep the public in the dark.

While I recognize that industry supposedly favours this bill simply to settle native land claims in Yukon and therefore remove blockades to investment, I cannot support this bill for the reasons cited and its link to Bills C–33 and C–34.

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.):

[*Editor's Note: Member spoke in Inuktitut.*]

[*English*]

Mr. Speaker, it gives me great pleasure to speak today on the third reading of Bill C–55, Yukon surface rights board act.

I am honoured to participate in this debate because I know how much this bill means to the people of Yukon. When we pass this bill and it is proclaimed along with Bills C–33 and C–34 which were passed by this House last June Yukon land claims settlement will come into force. The years of waiting will be over. The people of Yukon will be able to get on with their lives in new partnerships and new relationships with each other and with other Canadians.

Hon. members will recall that Bill C–33, Yukon First Nations Land Claims Settlement Act approves and gives effect to the land claim agreements of four Yukon First Nations: the Vuntut Gwichin First Nation, the First Nation of Nacho Nyak Dun, the Champagne and Aishihik First Nations, and the Teslin Tlingit Council. Bill C–34, Yukon First Nations Self–Government Act gives effect to the self–government agreements of the same four Yukon First Nations.

Bills C–33 and C–34 also authorize the governor in council to approve and declare valid future land claims and self–government agreements negotiated with the remaining 10 Yukon First Nations.

All these bills flow directly from the umbrella final agreement signed by Canada, Yukon Territorial Government and the Council for Yukon Indians on May 29, 1993.

Bill C–55 is the third and final piece of legislation required to bring Yukon land claims settlement into effect. Through Bill C–55 a new surface rights regime and dispute resolution mechanism will be established in Yukon to accommodate the new land regime set out in the claim agreement.

As a result of Bill C–55 industry and individuals in Yukon will have a known regime for obtaining access to both private and public lands. This regime will provide clear rules and regulations. Once this bill is enacted and we begin to implement First Nations final agreements there will be more certainty for everyone in Yukon. That certainty will translate into economic development opportunities. This will contribute to the government's objectives of putting Canadians back to work. The importance of providing this solid basis for economic growth and diversification in Yukon cannot be overstated.

• (1020)

Passage of this bill which will bring Yukon Indian land claim into effect signals to all Canadians and to international investors that Yukon is open for business. As well, the surface rights board and the other institutions of public government that result from Yukon land claim agreement will contribute to the political and administrative development of the territory. Important decisions will be made in Yukon, not in Ottawa. This is an objective supported by all Yukoners, the territorial government and the Government of Canada.

Clearly Bill C–55 does more than just create a new institution of government. It is critical to the social, political and economic evolution of Yukon.

I reviewed very carefully the speeches given by members of the opposition during second reading debate of this bill. While most were critical, as is to be expected in opposition speeches,

some contributions were thoughtful and constructive. Others were plain meanspirited and some contained errors of fact.

I would like to take this opportunity to thank the members of the Bloc Quebecois for their support in this House and in committee of this bill and of the settlement of Yukon land claim.

The hon. member for Saint–Jean took the time this summer to visit Yukon. He met with representatives of Yukon Indian people when he was there. His effort to get to know this most beautiful region of Canada and the wonderful people who live there is appreciated. While I do not agree with his entire philosophy, his effort to gain a better understanding of aboriginal issues by going to Yukon was certainly a step in the right direction.

I trust the hon. member and his party will be as open–minded, supportive and generous in dealing with the aboriginal claims of the aboriginal peoples in his own province.

As an aside, I do have to correct the member on an incorrect statement in his second reading speech on Bill C–55. He stated that the James Bay and Northern Quebec Agreement was entirely financed by the Quebec government and that the Government of Canada did not invest any money in it. That is false. The Government of Canada is a signatory to the James Bay and Northern Quebec Agreement and has ongoing implementation responsibilities and obligations. The Government of Canada has provided substantial funding in support of this agreement. I want to correct any misunderstanding there.

Getting back to Bill C–55, during second reading most members of the third party contributed a lot of misinformation. I am being extremely charitable in this characterization of their comments. This bill was called a recipe for disaster, among other things on more than one occasion.

I want to assure members of the third party that Yukon land claim settlement, which this bill will help bring into force, is not a divisive thing. It is an achievement of which all Yukoners and indeed all Canadians can be proud. It represents a bonding of the peoples, a coming together of different interests and perspectives for the common good.

I remind hon. members that the bill before us today cements an agreement which took over 20 years to negotiate. The parties to this agreement, Yukon territorial government, the federal government and the Council for Yukon Indians, all brought different positions and views to the negotiating table.

Over the years negotiations floundered many times. Leaders and governments changed. Negotiators changed. Negotiating parameters changed. This process was fitful and frustrating, but the parties stuck to it. They did not give up hope. They argued, compromised and they emerged finally with an agreement. This is therefore a proud day for Yukoners and they deserve our congratulations.

What has been accomplished in Yukon is no small achievement. The agreements and the bills effecting the agreements may not be perfect, but they are the products of many people working together for common objectives: mutual respect and recognition, clarity of rules, certainty of rights, and a better future for future generations. This is a made in Yukon deal, made by Yukoners for Yukoners and it is unique to Yukon. It reflects Yukon needs and aspirations.

• (1025)

Thus far I have restrained myself in this speech from rebutting some of the more provocative and outrageous comments made by members of the third party, but there is one I just cannot let go by. The comment I am referring to was made by a member of the third party, who will remain nameless, during second reading debate. The comment is in reference to Bill C–55. He stated: "It borders on the tragic to heap so much responsibility on so few".

Let me assure the member and all members of that party that Yukon is more than ready for this responsibility. Yukoners will handle this responsibility much better than anyone else. Size is not a determinant of value or worth. So what if the population of Yukon is less than most cities in Canada, as some members of the third party pointed out. The Yukon and its people deserve the same respect, consideration and recognition of their rights and abilities to make their own decisions as anyone else in this country. They have agreed through their elected leaders to forge a new direction and build a better future together. Their decision must be respected and supported.

I would like to conclude my remarks today by quoting from the presentation made by the Council for Yukon Indians to the Standing Committee on Aboriginal Affairs during its review of Bill C–55: "The enactment of Yukon surface rights board act will pave the way for the proclamation of Yukon Land Claims and Self–Government Acts. The Council for Yukon Indians and Yukon First Nations have worked extremely hard in the past 21 years to see the manifestation of the vision of Yukon First Nation elders. Yukon First Nations look forward to participating in these constitutional innovative regimes that have been advanced and negotiated in the interests of all parties concerned".

So do we. On behalf of the minister and the government, I extend warm congratulations and best wishes for success to all the people of Yukon.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I would like to thank the hon. member opposite for his speech.

I probably should begin by saying that I restrained myself from rising on a point of order when he used terminology which just yesterday was ruled unparliamentary by the Speaker in referring to us.

I would like to tell hon. members and this member in particular, as emphatically as I can, that we bear absolutely nothing but the very, very best wishes for the people he is representing. It is very unfair, I think, when we begin to debate the issues to degenerate into name calling. I resent that because I do not think it adds to the debate at all.

I would like to ask some very serious questions. First of all, in the government ramming through Bills C–33 and C–34 last June, did it really add to the understanding and the conviviality among different parts of our society? One of the problems is that many people feel that things are being rammed down their throats and they have no real input. We do not have an opportunity as members of Parliament to represent the wishes of all our constituents.

It seems to me that it would have been much better had we taken the time to debate, to allow the Canadian people to have some real input into this and to build a level of understanding and acceptance of the deal that was made. If it really is that good it should be saleable. If it is not saleable then let us fix up the things that are not so that we can understand and accept, and I will even go so far as to say love each other that much more.

• (1030)

With respect to the bill before us today and the building of this board, once again everybody else is disenfranchised. Everybody else has no input. It is just being rammed through. There will be a board but it does not represent the rest of Canadians who are also contributing to the financial bill and who have an interest in that regard and in everything that happens there.

I would like the hon. member to comment on the process in which this is all being done. Could we not do better? I understand and accept that there is some impatience here after 20 years of process and we have to move on. But we need to ask the questions very seriously. What is best in order to build a relationship among all Canadians and how does this process help it when we ram it through like this?

The Deputy Speaker: Before recognizing the hon. parliamentary secretary, this Chair was not in the chair when the Speaker ruled on the word mean spirited. If the hon. parliamentary secretary was in the House, it is my impression that was a ruling two days ago or perhaps three. I wonder if the parliamentary secretary would be kind enough to withdraw that word before he deals with the questions that have been put.

Mr. Anawak: Mr. Speaker, if indeed that word was ruled out of order, I withdraw the word.

I want to comment on the member's remarks of the last few minutes. It is surprising to hear him talk, without reflecting on the past, of the need for consulting with the people of Canada which we as a government are doing on a lot of issues.

I might remind the hon. member that there was not much consultation when the land of Yukon, the Northwest Territories and Canada was sort of taken over by a group of people without asking the people who lived in that region. I think the aboriginal people of Yukon are well justified in getting this agreement through. The Government of Canada, the Government of Yukon and the aboriginal people of Yukon should be congratulated for putting together such an agreement.

I made the remark earlier because of some comments of the past. I say this because of some deep concern that there is room for intolerance as a result of some comments made by some members of the third party. I quote directly from second reading of the bill a member of the third party. It says: "I urge members who believe in fairness, honesty and accountability to oppose this bill as it portrays the epitome of patronage and racial bias for which Canadians should never be known".

That was an unacceptable comment by a member of the third party. Part of the same comment states: "Such land claims, self government and racially segregated mediation boards will set a precedent for future negotiations with aboriginals which Canadian taxpayers will be hard pressed to pay for".

The government of Yukon and the people and the Council for Yukon Indians are all in support. They have adopted this bill. Therefore, I do not think there is any room for the kind of remarks that have been made in the past. I say this as a response to comments made during second reading of this bill, not as comments that I am putting forward on my own. If members want, I can carry on for another 10 minutes quoting comments during second reading to make sure that the people of Canada know what has been said by the third party.

• (1035)

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I listened with interest, especially to the commentary at the end. For years we have heard nothing but the abuse that native Indians suffered through the administration of the Department of Indian Affairs and Northern Development. This is part of the same government that helped set those laws in process.

Here it is telling us to trust it once again, to further a problem that is liable to occur and keep on occurring. This is beyond belief. It put a restriction in front of the natives in Yukon of only 50 per cent of the members on the board. Why can it not be 100 per cent? Why does this government automatically assume that only 50 per cent of the natives there are capable of making this decision and not 100 per cent of the natives?

This is put on by that side of the House. I could go on and say that to me this seems like a very racial hindrance.

Mr. Adams: What is the percentage of natives in Yukon?

Mr. Stinson: Why do you put a qualification on any people in this country? Why put that roadblock in front of them?

The Acting Speaker (Mr. Kilger): Order, please. Again, I appreciate the hon. parliamentary secretary's courtesy. In *Hansard* on Wednesday, page 8173, a minister in fact used the word that came up earlier. The minister said, and I quote: "With the greatest respect to you, Mr. Speaker, of course I withdraw". My colleague said if the ruling was made. He now knows that the ruling was made.

Mr. Anawak: Mr. Speaker, I withdraw the word. However, I want to advise the hon. member that he does not seem to have much confidence in the people of Yukon or the Government of Canada—

Mr. Stinson: More than you do. Why do they not go for 100 per cent?

Mr. Anawak: —in appointing aboriginal people as part of their 50 per cent. Hopefully the Council for Yukon Indians will appoint its 50 per cent as aboriginal people. If it chooses, it does not necessarily have to be aboriginal people. I have great confidence that the Government of Yukon and the Government of Canada, if they choose to, will appoint aboriginal people to the panels.

Mr. Stinson: The other 50 per cent will be legal hacks.

Mr. Anawak: If they do not, it is their prerogative. I have more confidence than the hon. member in the Government of Canada and the Government of Yukon in having confidence in the aboriginal leaders.

I just say these things. I mention the mediation boards.

Mr. Stinson: You are saying they should be restricted to 50 per cent and no more.

Mr. Anawak: I quote at second reading from another speech made by a member of the third party: "The potential for conflict of interest is also there because claims are not assumed to be reviewed by the entire board but by a panel of three. At least one must be a member appointed to the board from the Council for Yukon Indians and two others are to be chosen by the chairperson. Could this not end with a blatant bias or conflict if all were from the Council for Yukon Indians? There are no rules to the contrary".

I rest my case.

• (1040)

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, it is a pleasure to rise in the House today to speak to Bill C–55, the last in a series of three bills aimed at implementing the provisions of agreements in respect of certain lands in Yukon, negotiated by Yukon, Canada and Yukon first nations.

To give an indication of the importance of adopting this kind of bill, I would like to start by putting it into the context of the broader issue of aboriginal land claims, not only in Quebec and Canada but throughout the world. We all know that the rights of aboriginal peoples have become an issue in many countries: in North America, South America and Asia, where since the 15th or the 16th century, Europeans came to settle lands that were occupied by aboriginal peoples.

The Europeans became established either through conquest, colonization or various other ways, and as their numbers increased over the centuries, aboriginal populations were pushed into a minority position. In the past 20, 25 or 30 years, aboriginal peoples have become aware of the importance of surviving as a people and maintaining their identity. They drew up land claims so that, in certain regions, areas or countries, they could continue, as much as possible, to live according to the traditional ways of their ancestors, or otherwise obtain the requisite political and economical leverage to be able to perpetuate their identity as a people on a viable basis.

The bill before the House this morning is part of this vast endeavour to satisfy the land claims of the aboriginal peoples, while bearing in mind the hard cold fact that other people now live in these territories as well, and in some cases, have done so for many centuries, and also have the right to live there.

Canada and Quebec have initiated negotiations with various first nations on their territorial claims. In Canada, a number of agreements have already been concluded, such as James Bay in 1975, the agreement on Nunavut in the MacKenzie River Delta, and now Yukon.

As a member of the Standing Committee on Aboriginal Affairs and Northern Development, I have, of course, been involved in the proceedings of this committee, and since I also have a personal interest, I read up on the situation in Yukon and what had happened so far, and I realized that it was imperative and absolutely essential to ratify these agreements as soon as possible.

As you know Yukon is in Canada's north. It was originally part of the territory that was given to the Hudson's Bay Company by the Crown and that included all of northern Canada and northern Quebec. This immense tract of land became the property of a private company. The Hudson's Bay Company took

advantage of the territory's resources, especially through its involvement in the fur trade.

Aboriginal people in Yukon came into contact with the white man in the person of the employees of the Hudson's Bay Company. They were also exposed to influences from the south, in a perhaps more brutal manner, during the famous gold rush in the Klondike at the end of the 19th century. At the time, many people came from the south to look for gold in Yukon, disrupting the traditional ways of the aboriginal peoples in this region. There was also the construction of the Alaska Highway in the 1940s by the United States, to connect the U.S. territory with the territory of Alaska.

• (1045)

The result was that Yukon was brutally invaded by people from the south. We are not here to pass judgment. It happened long ago, people behaved the way they were used to, and I do not think it would serve any purpose to dwell on the past. However, we have to realize that injustices were created and that new arrangements must be put in place if the people who live there are to develop in harmony, and if their economic, social and political needs are to be fulfilled.

I think that we have to watch our language carefully. When we look at what happened in Quebec over the last 20 years and what is happening now, we realize that governments and people are demanding that we settle the outstanding issues. Except it is extremely fragile. Negotiations are often difficult because the issues are complex. There are important constitutional and economic questions involved. There is also a basic political dimension.

When we talk about self–determination, self–government or sovereignty, we deal with emotionally–packed concepts and all sorts of reactions from the people. We just have to recall the reactions to the recent declarations of a Quebec native leader in New York, where the word "racist" was bandied about. I think that it is rather inappropriate to use such a word in that particular context. We are in a negotiating context, where you must keep your cool to be able to come up with something which will be fair to all involved.

When issues like racism are raised, a notion so emotionally charged because of the long racist history of mankind—just think of what happened to the Jews and the Gypsies during the Second World War—we are often taken aback, stunned and disappointed to see it surface in the papers, in the minds and in conversations, and being applied to situations occurring in Canada.

We cannot say that the situation in Canada is one of racism. I believe that no one among native people and non–natives is going to form a particular opinion about a specific group because one member of this group is of a different ethnic origin or race.

One must be very careful in Canada when using the word racism. One may talk about ethnocentricity, prejudices or many other similar things—there is no shortage of terms—but I believe that accusations of racism must be avoided because it could trigger a chain reaction with far–reaching consequences, especially with respect to negotiations which have been going on for years and could fail because the negotiating parties might see in each other all kind of sinister intentions.

I wanted to get this off my chest before dealing more specifically with Bill C–55.

This piece of legislation seeks to set up a board to settle disputes that might arise between parties to the agreements reached in Yukon. As we know, last June this House passed Bill C–33 and Bill C–34, which were enacted in July. These acts give effect to land claim agreements concerning Yukon and deal with certain matters relating to self–government for native people in Yukon Territory.

• (1050)

Negotiations prior to these agreements had been going on for over twenty years. There were many difficulties. The negotiation framework was hard to develop. People took a very strong stand at first, one party wanting everything while the other was reluctant to yield anything, vetoing the claims, so to speak.

Little by little, over the years, people learned to know one another, setting up the framework for the negotiations. These negotiations finally ended in the early 1990s. The agreement before us this morning is simply to ensure that there are arbitrators are appointed when disputes arise between the parties to the agreement in the Yukon.

Before getting further into the consideration of Bill C–55, I would like to take a second to remind the hon. members that both bills we have passed recognized that Yukon aboriginal peoples did have rights over certain lands, that is to say surface and subsurface rights over some lands and surface rights on others, lands that can form the basis for a certain economic life so that these peoples will no longer be dependent upon federal government subsidies.

Like me, Mr. Speaker, you have no doubt read the Auditor General's report and noted the rather explicit criticism of the social assistance provided to the aboriginal peoples of Canada. It is reported that approximately 40 to 45 per cent of natives in Canada depend on social assistance. On certain reserves, it is up to 80 or 85 per cent of the population. That is a huge percentage! There is an enormous problem there. The Auditor General tells us that it costs $1 billion, because that is how much is paid out to the people, the people who are running the reserves, and that insufficient control is exercised over the use made of these funds.

I agree with the Auditor General that tighter control is required. But what the Auditor General is telling us in his report is that control over this $1 billion may not be perfect. At the same time, he says that $1 billion is paid out to aboriginal peoples because they are really having a rough time on the social, economic, health and education front.

In such circumstances, I do not think that the thing to do would be to say: "We need a billion dollars. We will take this billion and use it for something else in the budget and let these people manage on their own". We must think instead in terms of creating conditions where they will no longer need social assistance.

I think that the kind of agreement we have reached respecting the Yukon, and those respecting other parts of Canada such as the Mackenzie Delta, the Nunavut, the James Bay area in Quebec—and there are more coming—all these agreements will enable the aboriginal peoples concerned to lay the economic foundations required to no longer depend on government assistance for their social and economic development.

I think that this is essential and that is why agreements such as this one must be encouraged and legislation to implement such agreements be passed as quickly as possible.

As my colleague from the Reform Party said earlier, certainly it is quick. At the Indian affairs committee, we considered both Bill C–33 and Bill C–34 in June. These were complex bills. There are often concepts involved that are very difficult to grasp. While the committee may not have been pressured, it certainly had to make haste.

• (1055)

This committee even sat all night on one occasion. This unusual experience shows that important decisions were made. I think that sitting all night on this committee will be a highlight of my life as a parliamentarian. Representatives of Yukon first nations came and spent the night with the committee to show us how crucial this bill is to them.

It is sometimes ill–advised to move too fast; however, when dealing with important issues, it is often pointless and even harmful to drag things out. That is why we must act now so that the representatives who negotiated in good faith in the hope of improving the lives of their people will not be disappointed. In such cases, when an agreement is reached after 20 years, we cannot afford to disappoint people by unduly delaying its adoption. Especially when we know how hard it is for a standing committee and even for the House of Commons to challenge agreements negotiated with the help of many experts and lawyers over a number of years.

I think that we must put some trust in those who negotiated the agreements and those who reviewed them, like the Bloc members on the standing committee who, after examining the entire bill, did not find anything that would justify unduly delaying its passage.

Of course, we can improve any bill by proposing amendments to it. With respect to Bill C–55, I might have had some concerns, like my colleague from the Reform Party, about how committee members are chosen. It might have been better to ensure as much as possible that committee members are not appointed because of partisan considerations—if that can be done within the party system prevailing in Canada.

Canadians increasingly feel that the people appointed to government positions should be chosen for their personal ability and not because they belong to a party. I think that people in Yukon will be especially sensitive to the quality of those appointed to this board.

I am pleased to support this bill. I hope that the people of the Yukon will implement it as soon as possible so that they can ensure their own development and that we as Quebecers and Canadians can establish the best possible relationship with them in the future.

The Deputy Speaker: The hon. member will have three minutes left to conclude after question period.

It being 11 a.m., pursuant to Standing Order 30(5) the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, in recent days we have heard a great deal from certain Reform members of Parliament about ACOA's funding practices.

A recent contribution to Canadian Hybrid Farms in my riding of Annapolis Valley—Hants was singled out as an example of alleged wasteful government spending.

The decision to make a contribution to this firm demonstrates ACOA's commitment to assisting leading edge companies set up shop and succeed in Atlantic Canada. This company has focused its efforts in developing a new strain of genetically altered hamsters for use by the scientific community in researching heart disease in humans. Medical researchers from around the world rely on these hamsters in order to test the efficiency of cardiovascular drugs.

• (1100)

Through its diversity of programming ACOA has consistently shown itself to be a leader in promoting economic development in Atlantic Canada. Its contribution to this important project is one more example of its commitment.

BELL CANADA ACT

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise today to point out that the provision of telephone service in rural Ontario is not adequate and when compared to urban areas can only be described as second class.

There is no requirement that telephone service be provided beyond 62 meters of the existing system. Although quite adequate to ensure subscribers in cities receive new services at reasonable costs, in rural areas it means many individuals must pay thousands of dollars for a phone hookup.

The reality for many of my constituents is that the security and convenience of phone service most of us take for granted are not available to them. In addition, large portions of my riding have been embargoed, meaning private lines are not available. This policy discriminates against rural Canadians wishing to establish businesses depending on such simple tools as faxes and computer modems, let alone access to the information highway. In areas where economic development is most needed the required communication infrastructure is being denied.

I urge the Minister of Communications to amend the Bell Canada Act of 1902 and to end this discrimination against rural Canadians.

* * *

THE ECONOMY

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, lately when discussing the country's financial situation with groups in my riding it became clear to me that the message of fiscal restraint has been heard by Canadians. People in my riding are ready for the government to make the tough choices that are needed to get our financial house in order.

I have also been disturbed by how some people, especially from the far right of the political spectrum, are using the present financial difficulties as an excuse to advocate brutal measures against the poor.

The debt and deficit remain real problems. The medicine will be no doubt bitter but I have every reason to believe that the government will be looking for ways to make our social security system more fair and equitable without hurting those most in need.

I condemn those who use our present financial difficulty as an excuse to impose their right wing agenda on the poorest and most vulnerable in our society.

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, yesterday, at their annual meeting, held in Jonquière, the 300 delegates from the Quebec steelworkers union decided to support sovereignty during the next referendum on Quebec's future. This central labour body feels that sovereignty is the only way to ensure that Quebec has the necessary tools to look after its economic, political and sociocultural development.

Occupational training will be the top priority for steelworkers in the years to come. They believe that this whole sector should fall under Quebec's jurisdiction. In fact, Quebecers have been requesting this for years, but Ottawa has always categorically refused to consider that option.

The decision made by the steelworkers illustrates once again the importance and the diversity of the various groups supporting sovereignty in Quebec, and we are very pleased to see that.

* * *

PUBLIC SERVICE

Mr. André Caron (Jonquière, BQ): Mr. Speaker, while the Minister of Intergovernmental Affairs is telling federal civil servants that they should fear sovereignty for Quebec, his government is about to make cuts in its public service.

According to persisting rumours among civil servants, which were even repeated by the Public Service Alliance of Canada, 30,000 positions will be eliminated in February, when the next federal budget is tabled. It appears that these cuts would primarily affect civil servants working in the national capital, since regional staff has already been reduced significantly.

Consequently, this massive reduction in the public service population of the Ottawa region has nothing to do with the threat of separation, the election of a PQ government, or the role of Bloc Quebecois MPs in this House. This government will be the only one to blame if such despicable cuts are made in the public service.

* * *

JOB CREATION

Mr. Philippe Paré (Louis-Hébert, BQ): Mr. Speaker, yesterday, the Minister of Finance accused the Government of Quebec of not being concerned about job creation. He seems to forget that in an impressive number of areas, it is the federal government which is preventing job creation in Quebec.

• (1105)

The federal government refuses to transfer all powers for labour training to Quebec and is thus preventing the implementation of a comprehensive and coherent job creation strategy in Quebec.

The federal government is refusing to reduce unemployment insurance premiums even though it said that lowering them would create jobs. The federal government is also refusing to implement a real defence conversion policy. And what about MIL Davie?

The Minister of Finance should look in his own back yard and get down to work.

* * *

[*English*]

GUN CONTROL

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, we know that there are approximately seven million legitimate gun owners in Canada and that the use of guns results in one of the safest, most thoroughly self–policed recreational activities anywhere.

To qualify for a purchase of a firearm or a hunting licence, Canadians must pass numerous examinations and training courses on firearms knowledge, safe firearms handling, wildlife identification and safe hunting procedures.

Handgun owners are required to undergo an even tougher application process and have rigid security restrictions. Yet despite all these controls, knee–jerk Liberalism has sprung into effect to establish even tougher gun laws when we know the problem is the criminal use of guns and not with the legal gun owners.

I challenge the Minister of Justice to do the right thing, which is to get tough on criminals and forget about creating laws that make criminals out of law–abiding citizens.

* * *

CANADIAN BROADCASTING CORPORATION

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, newspapers can be a useful cross–reference. Let us consider three stories carried by the *Globe and Mail* on November 16, 1994. All three related to spending abuses, all three connected by real estate and all three about the CBC.

In one story Keith Spicer, president of the CRTC, asked for the CBC to be given breathing space from the continuous rounds of budget cuts. Then the editorials ran a letter from the CBC's vice–president of finance as he attempted to defend the expenses of the CBC's broadcasting centre.

It is amazing how creative accounting can actually justify a yearly rental cost of almost $50 million which will balloon to over $200 million in the next 10 years, all of it taxpayers' money.

The third story revolved around the changes to CBC "Midday". Will we indeed see that program co–hosted out of Vancouver? At what cost? What will happen to the current cosy and expensive "Midday" studio at the broadcast centre in Toronto? More redundancy, more excuses, more expenditure abuse.

Hats off to my handy reference guide. It made my day.

* * *

JUSTICE

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, the issue of criminal responsibility in cases of extreme intoxication has been receiving a lot of attention lately.

Nicole Hilliard from Surrey wrote the following:

> I am sure you are already familiar with the man from Alberta who went on a 30–hour drinking binge, then beat his wife up and was acquitted due to his mental state.
>
> I ask: "Did anyone force this man to consume a bottle of rye, vodka, and several bottles of beer?"
>
> If someone consumes too much alcohol, gets behind the wheel of a car, then kills someone, you can guarantee that no court in Canada would decide to acquit that person based on his or her drinking.
>
> If this law is not changed we will see more and more individuals acquitted because criminals in Canada have avoided responsibility time and again thanks to the outdated criminal justice system. Laws like this one are completely unacceptable and insulting.

Reformers will continue to stand up for the rights of victims and push for changes to our justice system.

* * *

[*Translation*]

MINING INDUSTRY

Mr. George S. Rideout (Moncton, Lib.): Mr. Speaker, today I would like to point out the importance of the mining industry in Canada.

[*English*]

The mining industry is a real economic generator in the country. For example, we owe 16 per cent of the country's exports to the mining industry. It accounts for 4.6 per cent of GDP and provides 100,000 high paying skilled jobs in areas of the country where there is otherwise very little economic activity.

We only have to cast our eyes about this room to recognize how important the mining industry is to our daily lives. While today's high tech and manufacturing industries rely to varying

degrees on the mining industry, the mining industry also incorporates much advanced technology in many of its processes.

We must properly recognize that the mining industry is important to our economic well–being and do what we can to keep mining in Canada.

* * *

"60 MINUTES"

Mr. John Loney (Edmonton North, Lib.): Mr. Speaker, recently American news magazine "60 Minutes" aired a story called the "Ugly Face of Freedom". After watching the show I was appalled at the story. Normally "60 Minutes" has very high journalistic standards. This time the standards were much lower.

• (1110)

The story focused on anti–Semitism in the Ukrainian city of Lvov. The story talked about right–wing political movements calling for a Ukraine populated by only ethnic Ukrainians. These right–wing splinter factions are also vehemently anti–Semitic, according to the "60 Minutes" story.

The rise of right wing politics is occurring all across Europe but the groups are small in numbers. The media likes to lionize these groups as they make good press, but in their efforts to attract viewers they have slandered Ukrainians everywhere.

Ukrainians both in Canada and in Ukraine denounce the rise of these radical hate groups and call upon "60 Minutes" to tell the truth, the whole truth and nothing but the truth.

* * *

THE ENVIRONMENT

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, the involvement of communities in restoring our environment is essential. Governments can show leadership and set the stage but partnerships with communities are crucial to achieving success.

Two hundred and fifteen thousand dollars was recently awarded by Environment Canada's Atlantic coastal action program for projects designed to improve the environment in five communities in the Atlantic provinces. In addition $100,000 has been allocated for four regional initiatives that will benefit all thirteen of the sites and their community groups.

The Atlantic coastal action program was established in direct response to local citizens' concerns. In my coastal communities the problems are polluted waterways, haphazard development and lack of concern for the environment.

I commend the Deputy Prime Minister and Minister of the Environment on the success of her department's initiative in facilitating the Atlantic coastal action program. She is to be congratulated on recognizing the strength of communities in restoring the environment for everyone.

NATIONAL SERVICES MONTH

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, the service sector is an integral part of the Canadian economy and for this reason November has been declared National Services Month. In 1993 service industries represented three–quarters of Canada's gross domestic product, amounting to $387 billion.

In my riding of London—Middlesex economic activity is generated by services such as banking, insurance, construction, transportation, utilities, communications, professional, consumer and services business. As a matter of fact service industries account for more than 78 per cent of total employment in Canada and account for seven out of ten jobs in each province.

I praise the efforts of the people who have contributed to the success of the service industry. I commend our government for its continued support of this important sector of our economy.

* * *

CENTRAL AMERICA

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, this morning I had the opportunity and the privilege of meeting with the Association of Central American Farmers Organizations for Co–Operation and Development.

This is an umbrella organization that seeks to promote the interests of small and medium sized farmers in Central America at regional and international levels. It has been on a tour of Canada to meet with Canadian farm leaders and policy makers and to promote a vision for the sustainable development of Central America.

I congratulate ASOCODE for its efforts. As it suggested, we must go beyond a bureaucratic level in a relationship with Central and Latin America. We must continue to further the efforts of the government in working at a political level and should expand to working with populist groups as well.

I found working with such groups extremely enlightening in developing understanding. I encourage all parliamentarians to focus some attention on the needs of Central America and what we have in common.

* * *

EMPLOYMENT

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, in committee a member of Parliament made it clear that in hiring he asked potential employees if they were married. He also expressed concern that mothers might bring their parental responsibilities into the office which would impair their ability to do their job.

I am a mother and a wife. I am proud to say that the constituents of St. John's East do not feel the same way as my colleague from across the House. My constituents believe that I am capable of representing their views and fulfilling my job as a mother, and I am proud to do so.

* * *

THE ECONOMY

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the Reform proposals for spending cuts of about $10 billion are politically courageous since they identify groups and institutions that will undoubtedly launch strong attacks and will paint Reform as lacking compassion.

• (1115)

However, we took these risks precisely because we are compassionate. If Canada will hit the financial wall, those cuts will look puny and the needy will have to suffer. We also use principles of fairness in our recommendations. We propose cuts at the top including politicians pensions and perks and cuts for private business as well as special interest groups.

Frankly and proudly the cuts are also based on a different vision of the role of government, one which gets government out of the lives of Canadians, encourages the family and free enterprise and reduces the power of publicly financed media elites.

Reform awaits anxiously the government's proposals that will slow down the debt clock which now is at $538,203,000,000.

* * *

CHILD POVERTY

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, yesterday Campaign 2000 released its fifth annual report card on this country's progress toward the goal of eliminating child poverty by the year 2000. In this International Year of the Family, the federal government has received a failing grade. Child poverty is on the increase. In this the fifth year of the anniversary of the House of Commons' unanimous motion to eliminate child poverty by the year 2000, there are about 331,000 more poor children today than there were five years ago.

Instead of dealing with the problem of child poverty, the Minister of Human Resources Development has set this country on a course that will leave children behind. It is time for all parliamentarians to support the recommendation of Campaign 2000, create jobs, raise corporate taxes and use social programs to redistribute the wealth. It is time for action.

ORAL QUESTION PERIOD

[*Translation*]

NATIONAL DEFENCE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, last night, on the French CBC program *Le Point*, Major Armstrong told us about another aspect of the unfortunate events which took place in Somalia and confirmed that Canadian soldiers had literally lured Somalis with water and food before capturing them and treating them in the way we have all heard about.

Responding to the demands of the Official Opposition, the defence minister decided to move up the inquiry on the incidents in Somalia and announced that it would begin early in the new year.

My question is for the Minister of Defence. Given the horror of these new revelations, why does the minister not initiate the public inquiry right now, so that the crimes committed in Somalia can be elucidated as soon as possible?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I answered a similar question from members of the Reform Party yesterday in the House of Commons.

It is very important to respect the judicial system and, on the basis of the legal counsel I received, I decided that it would be advisable to start the inquiry after the courts martial, but before the court martial disposes of the appeals.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since many very important facts were covered up in the first investigation on the events in Somalia, does the minister not agree that his duty requires him to launch the public inquiry immediately to get to the bottom of these events, thus eliminating or reducing the risk of undue pressure being brought to bear on potential witnesses in this affair?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, my duty is to respect the judicial system in this country.

[*English*]

I have said earlier that what is very important in dealing with these tragic events is to ensure that those people who have been accused are dealt with the in the proper way in front of the courts martial.

What I also said yesterday is that we believe that it would be appropriate to commence the inquiry after any disposition of further charges, there is one particular case that could go to a court martial, but before the appeals are concluded.

• (1120)

That means that in the early part of next year this inquiry which, I repeat, will be public, open and civilian, will get under way and will deal with all of the specific allegations that have been made.

I asked the chief of defence staff to remind members of the armed forces of the rules with respect to speaking on military matters and I do note that Major Armstrong taped the interview with *Le Point* about two or three days ago before I made this announcement yesterday.

I think the best situation now is to allow all complaints, all concerns by anyone in the forces or elsewhere to go to the inquiry when it starts in the new year.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, as for the constraints of the inquiry now under way and the trials, I will remind the minister that he has already taken a first step, at our request, and moved the inquiry ahead of any possible appeal process. We think that he should continue in this direction and instead of asking senior army officers to keep the military from talking about the events in Somalia, does the minister not believe that he should act as openly as possible and announce right now whether he intends to entrust the powers of a real commission of public inquiry to those who will have to investigate the situation in Somalia?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I would like to correct one thing the hon. member said. The inquiry will not prejudice the appeals that will be going on perhaps at the same time.

With respect to the other part of the question, in terms of the conditions, the terms of reference of the inquiry, this question was posed last Friday by his colleague and these terms of reference are being worked on by the judge advocate general of the Canadian Armed Forces and also the officials of the Department of Justice. Once we announce the composition of the inquiry, the head of the inquiry and the other board members, the terms of reference will also be announced.

Those terms of reference will be wide enough and broad enough to deal with all of the complaints made by people such as Major Armstrong and members of the opposition and other people in the country who feel that this particular matter is grave, and we agree, and has to be dealt with as expeditiously as possible.

[*Translation*]

CANADIAN PEACEKEEPERS IN BOSNIA

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is directed to the Minister of National Defence.

It seems that this morning, a precarious cease–fire was concluded at Bihac, where 20 of the 55 Canadian peacekeepers are still being held hostage by Serb forces. This cease–fire should provide an opportunity for resumption of negotiations between the parties concerned and eventually lead to the resolution of this problem.

Could the Minister of National Defence tell us what the situation is now in Bihac and indicate the terms of this cease–fire?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I have no exact information on the terms of the cease–fire in Bihac. Perhaps I may point out that we only have five Canadians in Bihac. Most of the soldiers who are being detained, and there are 55, are based near Visoko, north of Sarajevo.

[*English*]

There are 55 Canadians currently being detained. Nothing has changed on their situation. They are in good shape. We are negotiating for their release. It is part of the larger problem dealing with the question of Bihac. We do have five Canadians in Bihac. There have been reports of some cessation of hostilities today in Bihac and we hope that will mean there will be some normalization of events.

At the moment there is little change from what we described yesterday.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I am glad to hear that only five and not 20 Canadian soldiers were taken hostage in Bihac, but the minister will agree that five is still five too many.

Considering the fact that Canadian peacekeepers are still being kept hostage in Bosnia, could the minister indicate what position Canada has taken vis–à–vis its partners regarding the possibility of continuing air strikes?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, our ambassador in Brussels at NATO was engaged in discussions yesterday about the future use of air power.

• (1125)

Nothing has changed from the course of events that was decided upon earlier this year, that if a UN safe haven is attacked, if UNPROFOR forces are attacked, the UN would have the right to ask NATO to engage in air strikes.

I think it is premature at this point to expect any further attacks in the next few days. This matter is under discussion not only between NATO and the UN but also between the warring parties in the former Yugoslavia.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, further to the questioning of the Minister of National Defence on the Bosnia situation, yesterday he acknowledged that Canadian troops in Bosnia are in a very dangerous situation and he indicated that very little has changed.

The most recent reports indicate that the situation may have even deteriorated further. Last night retired Major General Lewis MacKenzie was quoted as saying: "The United States was willing to fight to the last Canadian".

Given the growing danger, will the minister tell Canadians if he even has one contingency plan and if he does what that plan might be?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, an essential part of military planning is that you do not reveal what your plans are to anyone other than the people you command.

It is a tragic situation but the question amuses me. The reputation and the experience of the Canadian Armed Forces not only in the former Yugoslavia but elsewhere should lead the hon. member to have confidence that the chief of defence staff and all those in the Canadian command, including the rest of the UNPROFOR forces, know what the problems are and will know how to deal with any situation that may arise.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I would not bring this matter to the attention of the minister except that we are hearing reports actually back from the field saying that they are concerned that there is no plan and morale is becoming lower.

The Minister of National Defence insists on referring to the detention of Canadian soldiers but let us speak frankly as the UN commander has done and admit that our troops are now being held as hostages and as bargaining chips.

As we noted yesterday, the minister promised to withdraw Canadians if the situation on the ground changed or if their safety were called into question. How far must the situation deteriorate before the government acts to remove troops from this dangerous situation?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I can categorically say there is no morale problem with the Canadian forces in Bosnia and Croatia. If anything is going to undermine morale it is the comments of parliamentarians like the hon. member opposite and his colleague yesterday who made unfortunate references to possible situations involving fatalities of our soldiers.

We are all Canadians. It does not matter what party we represent. These people are our people representing the country, doing work for the UN Let us not compromise their safety any more than we have to.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I assure this House that I speak out of concern and based on warnings that have been coming forward for several months.

This is symptomatic of a larger problem. The Auditor General pointed out earlier this week that policy development systems in the Department of National Defence have significant difficulties, that capability objectives are not clearly stated, and that the Canadian forces are not always sure what they are supposed to be doing and what equipment they will use.

Will the minister in light of the situation in Bosnia in which Canadian troops have lacked clear objectives from the beginning make it a priority to develop objectives to avoid a repeat of the Bosnian morass?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am a little annoyed. We have had two debates in this House about the engagement, the deployment of our troops in Bosnia and Croatia. There was a consensus that Canada should discharge its obligations and stay there. This is not a matter of partisan debate. I realize some people have reservations. There was a consensus. We have tried to depoliticize this whole debate.

To link the Auditor General's report, which describes a situation that we inherited from the former government and one which we are correcting, to the current tragic situation on the ground in Bosnia is absolutely irresponsible.

* * *

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. René Laurin (Joliette, BQ): Mr. Speaker, in his latest report, the Auditor General found that accounts receivable totalled $6.6 billion.

• (1130)

Last Tuesday, the Minister of National Revenue said, in an attempt to downplay the problem, and I quote: "The total accounts receivable stopped growing last year and is now declining. I believe that we will continue to be able to reduce that sum".

Would the minister agree that last year, the proportion of unpaid taxes, compared with net tax revenues, continued to rise, which would indicate a significant deterioration of the situation?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I can only repeat what I said to the House on two occasions last week.

The accounts receivable are in fact accounts receivable. They are not the area of the accounting system we regard as lost accounts which we will never collect. It is not that at all. Last year we collected $8.8 billion from accounts receivable even though the average level was at $6.6 billion. In other words, I can repeat to the House that we will collect the vast majority of the accounts receivable with interest in that $6.6 billion figure.

Canadians should know and fully understand there is not some pot of gold out there which can be brought in and then used to reduce the deficit. All the money in the $6.6 billion account which is recoverable and will be recovered with interest is money that is already taken into account by the government in its budgetary calculations.

The hon. member should recognize that this is normal business procedure. For us to try and collect the $6.6 billion immediately will result only in more companies in Canada going into bankruptcy and more honest Canadians being harassed for their last dime.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, would the minister agree that much remains to be done and that his department should immediately put in place a system that will accelerate the collection of large accounts receivable, as recommended by the Auditor General?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I can only say that one year ago yesterday I issued a press release announcing a series of measures to improve the recovery of moneys owing to the government. This ad resulted in some billions of dollars coming in. For example, in this fiscal year we anticipate it will result in an extra $3.8 billion coming in as a result of these new measures.

I sent that press release out to everybody, including the press gallery, one year ago yesterday. The Auditor General at the end of May when the fiscal year ended, four months after I sent out this report, looked at the year. Most of the months in that year were Tory months and not months that I was minister. He said there were certain things that needed to be done. My press release was in fact a preface to the Auditor General's report with respect to collections.

Two months ago the hon. member's colleague who is sitting at his right hand right now asked me a question about a speech of the Auditor General in Quebec City. I pointed out to him that it was something we were collecting and there was no question of this money not being collected.

* * *

NATIONAL DEFENCE

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, yesterday the Minister of National Defence stated that as a condition of service if individuals have something to communicate they should communicate through their superiors. If the culture of the military is such that individuals feel compelled to remain silent for fear of retribution, is justice served?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I do not want to accept the premise upon which the hon. member's question is based. However, even if there were such concerns surely the announcement of an open and public civilian inquiry would allay any of those concerns.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the minister states that members of the service should speak only to their superiors yet these are the very superiors who suppressed evidence to start with. They have to have the freedom to go outside the normal chain.

The minister has stated there will be a public civilian inquiry into the Somalia affair. When will the minister table a terms of reference for the inquiry? Will the minister ensure that the inquiry is broad enough to reach the highest echelons of the Department of National Defence in Ottawa up to and including a previous minister of defence?

• (1135)

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I said earlier that this inquiry will begin after charges are disposed of against one additional person and that this would not prejudice the appeals that would perhaps be going on at the same time.

With respect to the broadness of the inquiry, I have assured people that the terms of reference will be as broad as possible to answer every single question that hon. members might have. I would hope that these assurances would be accepted by the hon. member's party because they have been generally accepted by people across the country.

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[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, my question is for the Minister of National Defence. The Auditor General reported that $700 million could have been saved on information technologies at National Defence, had the development of such systems been more carefully planned.

How can the minister explain that, once again, his department comes first overall in squandering, in spite of the fact that the Auditor General had drawn attention to this problem many times already in the past?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, again the Auditor General's report covered the term before this government was elected. Many of the problems he has outlined are being corrected. We agree with many of the points he has raised.

We obviously agree that improvements could be made in terms of management, especially in the information systems area, something which concerns me particularly. I have asked officials to ensure that all future projects in the information systems area are reviewed so that we do meet the expectations of the Auditor General.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the Minister of National Defence cannot skirt the issue by throwing the blame on previous governments.

Does the minister not realize that it would be possible to cut $1.6 billion in his department's budget, as suggested by the Official Opposition, without impeding operations, just by eliminating squandering and unnecessary spending, given the new international order?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, again I remind the House that the hon. member's party has called for a 25 per cent reduction in defence spending. This would have severe ramifications on operations.

As we know, the defence committee just issued a report. It is being studied by the government and a white paper will be issued shortly.

If the hon. member has details of how we could save money I would love to receive them. He could table them in the House or send them to me directly. However I doubt very much whether he would have enough projected savings to account for a 25 per cent reduction in expenditures of the armed forces. If we do that, it would certainly have a great effect, especially in his own province as in all other provinces.

PUBLIC SERVICE OF CANADA

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the President of the Treasury Board.

The Auditor General says that the workforce adjustment directive must be changed if the government hopes to reduce the size of the public service. The minister is negotiating with the unions now to do just that. However the president of the largest public service union in Canada said: "We obviously will never agree to changes that would weaken the workforce adjustment directive".

Could the minister explain how he can change that directive to reduce job security when the union says up front that it will never agree to it?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I understood the President of the Treasury Board this week indicated that he was having negotiations with the unions on the possibility of changing the directive. However, I understood him to also indicate that other options were being considered. I think the work on this is continuing. Obviously we will have more than one option when the time comes to make the decisions.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, so far the government has honoured the workforce adjustment directive by encouraging voluntary departure. The cost this year in the Department of National Defence alone is over $120 million. In fact, some officials are receiving a golden handshake worth $200,000 a pop.

• (1140)

Will the minister admit that the government plans to cut $5 billion during its program review? This means it will have to change the workforce directive and if not through negotiation then through legislation.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, there is no doubt that as a result of program review the government will be downsized. It will be downsized for reasons that have been clear to the opposition and to ourselves for quite a while.

There is also no doubt that this will create a problem in terms of workforce reduction. We intend to apply the best possible measures including, as I mentioned, a modified workforce adjustment directive or other options as they become available.

[*Translation*]

RESEARCH AND DEVELOPMENT

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

The federal government spends $1 billion each year on tax incentives to encourage research and development, its main contribution in that regard being a scientific research and experimental development investment tax credit.

Does the minister deem acceptable that the government not exercise any control over the refund of investment tax credits for scientific research and not conduct any formal evaluation of the impact of this program on the Canadian economy, as the Auditor General pointed out?

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I thank the member for his question.

The member is well acquainted with this government's commitment to scientific research and development. As he knows we are currently going through a program review and no final decisions have been taken.

The member also knows that this government has made a very strong commitment to this country's small and medium sized businesses because we believe that is where the new jobs will come. A central component of small and medium sized businesses is research and development. I believe the government will take the right steps to make sure the entrepreneurial spirit we are trying to rebuild stays on track.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I do not wish to make the minister's hair go even greyer, but will he recognize that the federal government's lack of rigour in the administration of all these R and D investments accounts largely for the poor performance of Canada in that regard, with Canada ranking second to last among G–7 countries?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, the Auditor General raised very serious questions about how the SRTC moneys were spent.

Under the old program up to 1985 the tax credit was given out before the expenditures and not after. The current system has much better controls on it. Through Revenue Canada we make sure that the proper expenditures are made before the tax credit is given out.

NATIONAL REVENUE

Hon. William Rompkey (Labrador, Lib.): Mr. Speaker, my question is for the Minister of National Revenue.

The Auditor General was very positive about the minister's efforts to combat the underground economy to make sure that everybody pays his or her fair share in this country but he also said that much more could be done.

What plans does the minister have for combating the underground economy in future? Could he be specific about projects now in train or planned to combat this situation?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I have answered many aspects of this question previously.

As the hon. member comes from Newfoundland, I will point out that yesterday we signed an agreement with the province of Newfoundland. It is part of a series of agreements with all provinces across the country so that we can combine audit information and the work of our auditors. We can thus have much more efficiency in what we do. We can increase the revenues to both the provincial and the federal levels of government.

Perhaps most important, this helps cut down on the duplication of government work and the harassment of ordinary honest citizens who presently sometimes find themselves faced with an audit by Revenue Canada and three weeks later faced with another audit by provincial authorities, neither of which have talked to each other.

This new agreement will go a long way to encouraging better revenues for both levels of government and less hassle to the public of Canada.

* * *

• (1145)

SMUGGLING

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the underground probably has two tunnels, the one that the minister has been speaking about and the other one for smuggling into Canada. It seems as though the minister lacks commitment to the enforcement side of Canada Customs. The justice minister said that 70 per cent of the guns used in indictable offences are smuggled weapons and we have a well documented problem with liquor smuggling.

Does the revenue minister agree that his sorrowful lack of priority respecting customs enforcement places law abiding Canadians in jeopardy?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, it is really quite amusing that the Reform Party is constantly telling us to slash expenditures and at the same time fails to point out that we increased the number of customs officers at the border by 25 per cent last February in response to need. If we accepted its general suggestions that

everything be cut across the board, the situation the member described would be infinitely worse.

With respect to gun smuggling, there is no question that it is a serious problem. We have a country adjacent to us with an enormous population and that country is literally awash in weapons. We have a border which has 130 million transits a year. We have in addition the world's largest trade between any two countries. We have vast numbers of tourists. It is thus impossible to create the type of Berlin wall that the member seems to think would stop the smuggling that he speaks of.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, if the revenue minister took time to understand what the Reform Party was saying, the one area that we would not be cutting is in the area of control and justice. That is one area we would not be cutting.

We have heard this 25 per cent figure before. As a matter of fact I think the minister gave it to us on February 8. Yet there are numerous press reports that indicate customs is in the process of laying off customs people in the front lines. How can he reconcile the difference between his statement and the press reports?

Hon. David Anderson (Minister of National Revenue, Lib.): Very simply, Mr. Speaker. We have increased the numbers overall at the border as indicated.

On the other hand, as the member knows, we have tremendous fluctuations in numbers of tourists who come to Canada at different times of the year. In addition we have differing requirements at different areas of the border. We do move people around within the regions and indeed within Canada as a whole to deal with the demand at certain times.

I specifically refer the member from British Columbia to the extra 65 people we brought into Victoria during the Commonwealth Games to make sure that we had quick and effective customs surveillance at that point.

It is a simple issue of good management by customs officers and not a question as he seems to suggest of reducing enforcement.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the minister of heritage. Yesterday, former CBC chairman Patrick Watson accused the heritage minister of being invisible and lacking the will to protect Canadian cultural industries. We rarely hear such a credible member of the cultural community condemn a minister's inaction so strongly.

Does the minister not agree that Mr. Watson's very strong words about him amply demonstrate once again his lack of leadership and credibility in the cultural community?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, Mr. Watson spent almost all his life in the world of show business and news reporting. Of course, visibility is important in these sectors, but we are in the business of governing and the way to do it is with authority. We do not need to show off. If that is what our Bloc colleague wants, she should do so while we are busy running the country.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I wonder who is showing off.

How can the minister reconcile his current position on stable financing for the CBC with the promises he made to the corporation at the time of his appointment as heritage minister?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I think that our colleague is badly misinformed; she should know that the Liberal government helped the CBC avoid a major financial crisis.

• (1150)

That is what we have done this year. We allowed the CBC to reposition itself in the 500–channel universe we have heard about. I supported the CBC in this matter. With the help of the finance minister, we will continue to ensure that the CBC remains the flagship of Canadian culture.

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[*English*]

TRADE

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the reason for negotiating international trade deals like the free trade agreement, NAFTA or GATT should be to tear down trade barriers rather than build them up. Yet access to the American market has decreased for the Canadian sugar industry due to protectionist measures. In jeopardy are some 1,700 Canadian jobs at the present time.

My question is to the Minister for International Trade. What will the government do to protect the jobs in the Canadian sugar industry and to improve Canadian access to American sugar markets?

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I thank the member for his question. I know he is very interested in this issue. I assure him that we are working with the industry. We are pressing the American authorities to give us a response as soon as possible.

The Minister for International Trade has contacted his counterpart, Mr. Kantor, to ask for a response as quickly as possible. We are hopeful that we will be able to find a solution in the best interest of the Canadian industry.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I have a supplementary question. Can the minister indicate what type of measures the government is planning to put in place in terms of removing some of the protectionist opportunities that the American government may take with regard to GATT or what other measures can be taken that will protect our industry on not only a short term basis but a long term basis as well?

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, obviously it is good news that we will be seeing fairly soon, hopefully effective January 1, 1995, the introduction of the World Trade Organization as a mechanism whereby all trading partners around the globe will be able to go to it whenever we have a dispute. We will be able to solve it through that mechanism.

When it comes to bilateral relations of course we would have to continue to work within the framework of NAFTA between us and our partners in North America. We are confident that through bilateral negotiation and through the multilateral forum we will be able to resolve many of those issues as my colleague has suggested.

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[*Translation*]

MULTICULTURALISM

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, my question is for the Secretary of State for Multiculturalism.

In view of the recommendations made by the Reform Party, which wants to eliminate all programs related to multiculturalism, can the minister tell us again how Canadians benefit from the policy on multiculturalism, and can she also tell us if it is worth investing in such a policy? In other words, could the minister shed some light on this issue?

An hon. member: Let us see the light, madam!

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I would certainly like to help them see the light, but I do not know if it is possible.

[*English*]

For less than $1 per Canadian per year, I think we are getting the best investment possible for our money, less than the cost of a chocolate bar, in order to ensure social peace, social cohesion and a country of prosperity that includes all Canadians.

I suggest to my colleague, who is a very concerned and considerate member representing a wonderful riding on the tip of Quebec between the two borders, that the amount of money we invest and the efforts that are deployed jointly by many groups in this country puts us at the forefront of fighting bigotry, racism and prejudice that is still found in the minds and hearts of many Canadians, contrary to certain thoughts expressed elsewhere in this House.

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[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, my question is for the Minister of National Defence.

In his report, the Auditor General criticizes the defence department for mismanaging its capital assets and wasting over $100 million per year in the process.

• (1155)

Given the magnitude of the problem and the need to reduce government spending, will the Minister of National Defence demand that the senior officers of his department provide him with a plan to quickly correct this totally unacceptable situation?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in the last year there has been a virtual management revolution in the ministry of defence.

We are trying to have many services contracted to the private sector. We are trying to adopt many private sector methods such as in warehousing, in having on time just in time delivery where suppliers actually keep the particular components rather than having them stored. We are in the process of installing a state of the art computer system that will keep track of all of the components in the materiels group. Indeed, we have restructured the materiels group, which is the largest section of national defence, in charge of procurement and administration of all big capital programs. We have totally restructured that and in the next year there will be more and more layers of management eliminated. I think when it is all done the taxpayers will get better value for their dollar.

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CRTC

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Minister of Canadian Heritage.

When the CRTC issued its decision after the restructure hearings it decided not to allow the American company Direct TV into Canada. The industry minister and the heritage minister have met with Power Corp and have jointly decided to disregard the CRTC decision.

Given the confusion and speculation surrounding this decision, is the minister prepared to explain the cabinet decision to override the CRTC?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I would like to take this question under advisement so that I may consult my colleague.

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NORTHERN TAX ALLOWANCE

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, this year will see the phasing out of the northern tax allowance program initiated by the previous Tory government. Residents of hundreds of northern communities will lose the benefit that recognizes their residential distance from federal government services.

Is the Minister of National Revenue or officials in his department prepared to reconsider the elimination of this valuable program to ensure that tax increases are not now going to be unnecessarily forced on northern residents?

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, this issue has been raised several times by the governments of the north. As part of our pre–budget consultations we are receiving representations on a number of very important issues that affect the budgets and the lifestyles of northerners. We will continue to listen to these in the next few months.

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NATIONAL DEBT

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Finance.

My constituents have been asking me what they can do to help with our debt and deficit problems. They are especially worried about our foreign debt and say it is time for a victory bond program to help us buy back that debt.

I want to ask the parliamentary secretary if the minister is taking this proposal seriously and what exactly is he doing about it.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, this idea has been presented not only to the Minister of Finance but also to the committee on its travels throughout the country.

It shows an anxiousness that Canadians have to see the deficit resolved and their willingness to participate in widespread efforts to bring down that deficit. We are looking at a number of instruments including the victory bonds to ensure there is opportunity for Canadians to help us out with this very difficult task.

SMUGGLING

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, in the Auditor General's 1993 report it was indicated that police forces are concerned that a serious firearms smuggling problem exists and appears to be increasing.

Inasmuch as this government has been unable to stop the smuggling of tobacco, drugs, and alcohol into this country, how does the Minister of National Revenue propose to stop or reduce the smuggling of guns into this country?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the hon. member should be aware that we have one of the most effective customs services in the world which operates extremely efficiently along our border.

He should also be aware that the numbers of officers have been increased substantially within the last year, indeed in February of last year and thereafter.

He should be aware because his specific concern is that of firearms that we have a situation involving our border with the United States, a country which has a vast number of weapons, a country which has a tradition of people both carrying and using weapons which is quite foreign to our own. It is very important for us to use, as we are doing, modern equipment, dogs to sniff out weapons, which they can do and also as many custom officers as we can. We are using all possible means to intercept weapons at the border.

• (1200)

However, I warn him that it is not possible—

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[*Translation*]

PATENT ACT

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Minister of Health.

When she was in Winnipeg, the minister told a group of seniors that the government intends to amend the legislation on drug patents, the old Bill C–91, this in spite of the commitment made on numerous occasions by her colleague, the Minister of Industry, not to review this legislation before 1997.

Are we to understand that the minister has already made up her mind and that she intends to propose a reduction of the exclusivity period for patents when the legislation is reviewed, which should normally happen in 1997?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, my comments were certainly not interpreted correctly. What I said is this: We intend to review the drug patent legislation, that is Bill C–91, before 1997. This is what we have been saying since the very beginning.

I mentioned, for example, the problems we are experiencing with the use of medication by certain groups, including elderly people, who often use drugs without being in possession of the necessary information. In recent years, we have noticed an increase in the number of prescriptions. This costs governments a lot of money and is a real source of concern.

As for generic products, I increased the departmental staff responsible for reviewing applications for these products, because no name drugs help us keep costs under control.

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL APPOINTMENTS

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

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 51st report of the Standing Committee on Procedure and House Affairs regarding its April 19, 1994 order of reference in relation to the Electoral Boundaries Readjustment Act.

This report is the first being tabled in accordance with Standing Order 68. Your Honour will recall that the committee was directed to draft and bring in a bill on this subject. Therefore the report includes a draft bill entitled an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries.

I know all hon. members will be interested in the contents of the report. The draft bill makes fascinating reading. I thought with the weekend coming up members might want to take it home for the weekend. Accordingly I am pleased to table it today.

I am also pleased to present the 52nd report of the Standing Committee on Procedure and House Affairs regarding the associate membership of the Standing Committee on Government Operations.

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

• (1205)

[*Translation*]

INDUSTRY

Mr. David Berger (Saint-Henri—Westmount, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Industry on Bill C-46, an act to establish the Department of Industry and to amend and repeal certain other acts.

The committee has examined and agreed to report the bill, with amendments. I would like to thank witnesses, members and staff for their contribution to the committee's proceedings.

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, with leave of the House, I move, seconded by the Parliamentary Secretary to the Minister of National Defence, that the 52nd report of the Standing Committee on Procedure and House Affairs presented to the House today be concurred in.

(Motion agreed to.)

* * *

[*English*]

PETITIONS

HUMAN RIGHTS

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have four petitions to present today. The first petition requests that the Government of Canada not amend the Human Rights Act to include the phrase sexual orientation.

The petitioners fear that such an inclusion could lead to homosexuals receiving the same benefits and societal privileges as married people.

THE FAMILY

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition is on the subject of the family.

The petitioners request that Parliament oppose any legislation that would directly or indirectly redefine the family, including the provision of marriage and family benefits to those who are not related by ties of blood, marriage or adoption, where marriage is defined as the legal union between a man and a woman.

CHILD CARE

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition is on the subject of child care.

The petitioners believe that current federal government child care policies are intrusive and discriminate against many families. The petitioners request that Parliament oppose any legislation that will increase child care expenditures or that attempts to regulate day care standards at the federal level.

OFFICIAL LANGUAGES

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the fourth petition is on behalf of the citizens of Brant riding.

Given that the majority of Canadians are opposed to the official languages policy imposed on them by a former Liberal government, the petitioners request that a referendum be held to either accept or reject this flawed policy.

ASSISTED SUICIDE

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, I am proud to once again rise in the House pursuant to Standing Order 36 to present several petitions bearing many hundreds of names on behalf of constituents of Kent, Lambton, Sarnia and Essex. The petitioners wish to draw the attention of the House to the following.

The majority of Canadians are law–abiding citizens who respect the law. They respect the sanctity of human life and believe that physicians should be working to save lives, not to end them.

Therefore, the petitioners pray that Parliament ensures that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36, I present petitions on behalf of British Columbians.

They ask the House to amend the Divorce Act to include the right of grandparents to stand before the courts during divorce proceedings. Grandparents can then ask the courts for access to their grandchildren.

ASSISTED SUICIDE

Mr. George S. Rideout (Moncton, Lib.): Mr. Speaker, I have two petitions to present. The first one is the same as the one presented by the hon. member for Kent dealing with assisted suicide.

MINING

Mr. George S. Rideout (Moncton, Lib.): Mr. Speaker, this is Mining Week, which allows us to publicize our efforts to keep mining in Canada.

I have a petition pursuant to Standing Order 36 that calls on Parliament to take action which will see employment grow in the mining sector, that exploration will be promoted and we can rebuild Canada's mineral reserves, sustain mining communities and keep mining in Canada.

• (1210)

[*Translation*]

RAIL TRANSPORTATION

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I have the honour to present a petition signed by 500 residents of the Saguenay—Lac–Saint–Jean, who, considering rumours that the passengers railway connection between Jonquière and Montreal will be closed, are asking for a moratorium before any decision is made and for public hearings to be held so that the people of the Saguenay—Lac–Saint–Jean can express their concerns and present arguments in favour of maintaining this railway connection.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 81 and 84.

[*Text*]

Question No. 81—**Mr. Harper:**

With respect to each of the following projects, what was the result of the cost benefit analysis conducted by the office of the Minister responsible for Infrastructure; (*a*) the construction of a park building and Canoe Hall of Fame in Shawinigan, Quebec, (*b*) the construction of bocce courts in Toronto, Ontario, (*c*) renovations to Northlands Coliseum and Duccy Park reconstruction in Edmonton, Alberta, (*d*) renovations to the Calgary Saddledome in Calgary, Alberta, (*e*) removal of overhead wires in Shelburne, Nova Scotia, (*f*) construction of world class marina at Lewisport Harbour by Gateway Development Inc. in Newfoundland, (*g*) development of two residential development areas for the Ebb and Flow First Nation, (*h*) redeveloping duck/pond gardens in Winnipeg, Manitoba, (*i*) air conditioning a community hall in the Village of Debden, Saskatchewan and (*j*) construction of a building to accommodate circus training and production facilities for Cirque du Soleil in Montreal, Quebec?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): The federal office of infrastructure does not conduct formal cost benefit analyses of infrastructure project proposals. It is responsible for setting up national framework agreements and reviewing project proposals received from federal implementing agencies and departments.

Costs and benefits are determined at the provincial and local levels. To be eligible for funding under the program, projects submitted by local partners must meet certain provisions of the national criteria established in the framework agreements between the federal government and the province or territory.

Question No. 84—**Mr. White:**

How many federal inmates currently receive each of the following payments: (*a*) old age security, (*b*) Canada pension plan, (*c*) income supplement, (*d*) unemployment insurance and (*e*) GST rebates and what crimes were they incarcerated for?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I am informed by the Departments of Human Resources Development and Revenue Canada as follows: (a), (b) and (c). Under Canada pension plan and old age security legislation, beneficiaries are entitled to continue receiving benefits while in prison.

However, to answer these parts would require the exchange of information on inmates between Human Resources Development Canada and Correctional Service Canada. The existing Old Age Security Act and Canada pension plan/income supplement legislation do not permit such an exchange.

On October 7, 1994, the Minister of Human Resources Development tabled a bill, C–54, which proposes to amend these two acts to allow for better information sharing between government departments. The Solicitor General has also tabled a bill, C–45, allowing for similar amendments to the Corrections and Conditional Release Act. These, if enacted, will allow for the exchange of information necessary to respond to these parts.

(d) Section 32 of the Unemployment Insurance Act specifically denies payment for the period during which a claimant is an inmate of any prison or similar institution.

There are control programs in effect to enforce this section of the act.

Human Resources Development Canada is not aware of any inmates receiving payment of UI benefits during a period of incarceration.

During this calendar year, January to August, there have been 1,688 disentitlements imposed denying benefits for the reason that the claimant is an inmate of a prison or similar institution.

The courts, however, are providing a more varied approach when imposing sentence on certain offenders. Payment may be made to persons serving a sentence who are not confined to an institution and who meet all the conditions of entitlement. Examples of this would be incarceration during weekends or evenings only, or electronic surveillance.

As to the question what crimes were they incarcerated for, this is of no relevance to the determination of entitlement to UI benefit. Accordingly, information on the reasons for incarceration are not collected.

(e) Correctional Service Canada provides to Revenue Canada the following information: name; date of birth; date of incarceration; date of release and nature of parole arrangements if any. This information is used to ensure that only those individuals who are entitled under the law to GST credit benefits receive them. Inmates who are confined to prison at the end of the taxation year, and had been so confined for at least six months in the year, are not eligible to apply for the GST credit benefits.

The latest information concerning the number of individuals who received the GST credit would be based on the 1993 taxation year. However, the number of federal inmates who received the GST credit is not data that is accumulated for purposes of administration of the Income Tax Act. This information is not readily available and would require a considerable expenditure and reallocation of resources to assemble. The reason for the incarceration is not provided to Revenue Canada as it is not a determining factor in providing GST rebates. To determine the nature of the incarceration of any GST credit recipient, income tax information would have to be communicated to Correctional Service Canada and that is precluded by the confidentiality provisions of the Income Tax Act.

[*English*]

The Deputy Speaker: The questions as enumerated by the parliamentary secretary have been answered.

Mr. Milliken: I ask that the remaining questions be allowed to stand.

The Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

YUKON SURFACE RIGHTS BOARD ACT

The House resumed consideration of the motion that Bill C–55, an Act to establish a board having jurisdiction concerning disputes respecting surface rights in respect of land in the Yukon Territory and to amend other Acts in relation thereto, be read the third time and passed.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, in concluding, I simply want to say that as far as aboriginal land claims are concerned, whether we are talking about Canada or Quebec, I think it is important to put this debate in its proper historical and geopolitical perspective.

I also wish to emphasize that at the negotiations, a spirit of justice and tolerance should prevail, both among federal and provincial authorities and leaders of aboriginal communities. I think anyone with political responsibilities in Canada has a moral responsibility to ensure that in these discussions, we do everything in our power to avoid making accusations that are sometimes unfair and that merely create ill feeling, so that the people of Quebec, the people of Canada and the aboriginal

peoples concerned can live in harmony on Canadian and Quebec territory, and this vast issue of aboriginal land claims will finally be settled in Canada as far as possible.

I agree one can never obtain satisfaction on all aspects of these claims, but I think that if we develop a spirit of justice and tolerance, we can conclude agreements that are acceptable to the various communities concerned.

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I wish to make a brief comment.

I listened carefully to the speech by my colleague from Jonquière. I am proud to be the colleague of this member who spoke very openly and generously about the native communities. It would be so easy to make speeches that raise tensions and play on the public's emotions, in short, to engage in demagogy.

The member for Jonquière took a radically different approach. His speech well reflects the thinking of Quebecers on this issue and I call on all members of this House to reread my colleague's speech. It is an unfailing source of wisdom in dealing with the issue of respecting native rights.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I have only a few comments to make at third reading of Bill C–55, Yukon Surface Rights Board Act.

It gives me a considerable amount of pleasure to see this bill, having come through all stages, and be able to say a few words at the conclusion of the debate.

• (1215)

At the same time I want to congratulate the parties that were involved in the negotiation of the agreement and in the execution of the legislation that has led us to this point. A couple of very specific congratulations, one to my own leader, the member for Yukon. The member for Yukon has been actively engaged in the discussion, debate and negotiations leading up to this point today.

I commend to the House the work that she has been able to do for her constituents, members of the Council for Yukon Indians, members of the communities of Yukon, all residents of Yukon. The member for Yukon has spent a considerable amount of time relaying information in one direction, discussing with ministers, parliamentary secretaries, committee chairpersons throughout the course of the debates on all three parts of Yukon self–government and land claims process which concludes the proclamation of this act.

I was very pleased to have been in a number of meetings that the member for Yukon initiated and attended. I am very pleased to have been able to work with her throughout this process as the New Democratic Party's aboriginal affairs and northern development critic.

I also want to congratulate the people of the Council for Yukon Indians and all of the people from Yukon who have worked so hard for so long to ensure that this day would come. A lot of changes have been made in people's positions and attitudes over the years, that this idea has been in front of not only the people of Yukon but now the people of all of Canada. I congratulate all of those who over the years have been involved so diligently in this process.

I would like to now spend just a couple of minutes indicating to those who are tuning in this afternoon for the first time some idea of what is in front of us on this bill that we are concluding today and to indicate to the House that I and my party are very pleased to support the legislation in front of us, just as we were pleased to support the previous two bills that are part of this three part package.

We know that Bill C–55 is a companion piece of legislation to what was Bill C–33, Yukon First Nations final land claims settlement act and Bill C–34, Yukon First Nations self–government agreement. Both acts were passed in the spring session of this Parliament but they will not come into effect until this act, Bill C–55, is concluded.

Bill C–55 establishes a process in Yukon for obtaining access to private and public lands based on models used in the western provinces. I come from Saskatchewan, a province that successfully negotiated a land entitlement agreement with a large number of the aboriginal communities in our province. I am very pleased to be able to see that models which were discussed in Saskatchewan are being useful in the negotiations of agreements in other locations.

The bill in front of us also establishes Yukon surface rights board to resolve disputes between parties guaranteeing access to vast holdings of private land.

The bill is very technical. Anything that subjects parties to an agreement has technical aspects to it. In essence Bill C–55 provides guidelines whereby land disputes will be settled by the surface rights board. Under the legislation a person may apply to the board for the arbitration of a matter only after that person has first attempted to negotiate an agreement with the other party.

The board will have jurisdiction over other matters such as the disputes between persons holding surface rights and those holding subsurface rights, the amount of compensation for the expropriation of settlement land, and the amount of compensation for pockets of government lands retained within settlement lands.

• (1220)

If parties cannot reach agreement in a matter relating to access to lands the board has the power to establish the terms and conditions of a right of access, award compensation for the right of access and for damage resulting from that access, and periodically review orders previously made by the board with regard to land disputes. Orders by the board are final and binding. Final decisions are enforceable through the Supreme

Court of Yukon territory. The board will not retain any permanent staff and will meet only as needed.

As well, the bill confirms the legal rights of minors and is said to address concerns raised over the need for certainty pertaining to land title in Yukon. Greater certainty pertaining to land title will facilitate exploration and resource development in Yukon, matters that we know go to the heart of the economy of the territory.

I would also like to indicate that final passage of Bill C–55 clears the way for implementation of four Yukon First Nations land claim settlements already negotiated and will trigger financial compensation agreements already signed with these four individual First Nations.

Earlier in the debates on this bill when my leader, the member for Yukon, spoke she indicated a couple of things that I would like to repeat for the benefit of the House as we close the debate today.

I quote the member for Yukon representing her constituents' interests in this bill. She stated in the House of Commons on November 1, 1994: "Bill C–55 ensures that all Yukoners, aboriginal and non–aboriginal people, have the tools to move forward with the certainty that is necessary for business with the respect and dignity accorded to First Nations in Yukon and that will lead toward self–sufficiency for Yukon territory.

"What we are showing can be done within Canada is that we can respect the languages, the cultures and the historic traditions of all peoples within a certain territory and we can do it under the flag of Canada".

These are very important words looking at a long history of negotiation of a very difficult matter that now seems to have been resolved quite peacefully and satisfactorily.

We in the New Democratic Party are proud of the work of all those who have been involved in this process and we are pleased today to commit ourselves to agreement on Bill C–55.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to, bill read the third time and passed.)

Mr. Boudria: Mr. Speaker, there has been some discussion among members in the House to proceed immediately to private members' hour. I see the proponent of the private member's ballot item in the House.

I think if you were to ask for that consent you would find that the House is now prepared to move to private members' hour.

The Deputy Speaker: Is there unanimous consent to proceed to Private Members' Business?

Some hon. members: Agreed.

The Deputy Speaker: The hon. member for Burnaby—Kingsway has given written notice that he is not able to proceed with his motion on Monday, November 28, 1994. Most regrettably there have been, I am told, 30 members who have been contacted to ask if they could fill in on Monday and none of the 30 to my knowledge has indicated that he or she is willing to do that.

Accordingly, since we cannot exchange the debate for Monday, I would direct the table officers to drop the item of business to the bottom of the order of precedence. Private members' hour will thus be cancelled. Pursuant to Standing Order 99(2), the House will meet to consider Government Orders at 11 a.m.

• (1225)

[*Translation*]

There is unanimous consent for the House to proceed now to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

DIVORCE ACT

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.) moved that Bill C–232, an act to amend the Divorce Act (granting of access to, or custody of, a child to a grandparent), be read the second time and referred to committee.

She said: Mr. Speaker, I rise today to begin the debate on Bill C–232, an act to amend the Divorce Act. I am speaking today on behalf of all our grandchildren who are without their grandparents at this time and on behalf of all the grandparents in Canada who have worked long and hard to convince the legislators of Canada that this bill is necessary.

In the time I have to speak today I would like to go through exactly what this bill sets out to accomplish and then discuss the need for the bill. Finally, I will attempt to give enough reasons so that all members of this House can unite in support of this bill.

The main purpose of Bill C–232 is to fill a void in the Divorce Act in the area of access and custody. At present only parents of a child are allowed to discuss access and custody in a court in the case of divorce. The practical effect of this is that grandparents

who may have spent considerable time with their grandchildren have no automatic right of standing in court.

At the present time if grandparents are concerned that this access might be cut off as a result of the divorce, they must first seek leave of the court to raise the access or custody issue. Should leave be granted, then and only then have they a right to ask the court to put a right of access clause for them as grandparents in the divorce decree of the parents.

Dealing specifically with the provisions of the bill, the first clause would amend section 10 of the Divorce Act. This is the section of the Divorce Act which deals with access and custody. Under clause 1, grandparents would have standing in court to seek either access or, I suppose in some exceptional circumstances, custody of the grandchildren.

Clause 2 of the bill seeks to amend section 17 of the Divorce Act dealing with applications to vary access or custody orders. Therefore, if at a time after the order for access or custody was granted under section 16 and it was found that the original decision was not appropriate, then it would be open to the grandparents to go back to the court just as parents can do to seek amendment of the original order.

Again, with the adoption of this clause grandparents would have the automatic right to standing in the court should either the parents or they seek to wish alteration of the original access or custody order.

Finally, the bill would add a new clause to the Divorce Act which deals specifically with the amendments contained in Bill C–232. This new clause requires that the clauses contained in this bill be referred to an appropriate committee of this House four years after their coming into force so that a committee of this House can review the effectiveness of the provisions.

One part of the bill I did not refer to is clause 2 part (2). This clause seeks to amend subsection 16, part (5) of the Divorce Act. It would give grandparents who have a right of access a right to make inquiries and to be given information as to the health, education and welfare of the child.

I have had discussions on the legality and appropriateness of this clause with my friend on the other side of the House, the member for Nepean. My friend from Nepean has a private member's bill on the Order Paper quite similar to Bill C–232. We have approached this matter in a non–partisan fashion.

She has brought to my attention that this subclause could give grandparents more rights than the parents of the children presently enjoy. This subclause may also contravene privacy acts or rights of the child which may exist by statute or common law.

Therefore while procedurally it cannot be removed at this time, I trust when the bill gets to committee this clause can be deleted.

While I am dealing with technicalities, I thought it important to bring to the attention of the House the wording of the new Quebec Civil Code as it relates to grandparents and the issue of access arising out of divorce of the parents. It states in section 611:

> In no case may the father or mother, without a grave reason, interfere with personal relations between the child and his grandparents.
>
> Failing agreement between the parties, terms and conditions of these relations are decided by the courts.

Therefore in Quebec, thanks to the Civil Code, grandparents enjoy the right of standing in court and therefore this bill would compliment the Civil Code or simply not be operative in the province of Quebec, as the matter is already covered by legislation.

Having dealt with what Bill C–232 does, it is important now to turn to the need for such legislation.

● (1230)

This proposal has a long history. In the last Parliament it appeared as a private member's bill in the name of the former member for Delta from the Progressive Conservative Party. In this Parliament there is a private member's motion by the member for Winnipeg Transcona. The subject matter has also been the subject of the member for Ottawa West's householders. Of course my good friend from Nepean also has a private member's bill on the Order Paper dealing with the same subject matter.

Therefore, the subject matter of this bill receives wide support in the House. For that reason I want to make it clear this is not a partisan issue, not a Reform issue, not a political issue, but a grandchildren's and a grandparents' issue, a human issue which has to be addressed now.

When we discuss grandchildren we usually envision a happy family scene with the entire family present. Perhaps it is a holiday time like Thanksgiving or Christmas, when grandparents are always a part of the celebration, or Mother's Day or Father's Day, when a special part of the day recognizes grandparents as well as parents, with gifts made by children who are also grandchildren.

It is my sad duty today to remind Canadians everywhere that this happy scene is not always the case, that in fact many of our senior citizens no longer have happy Christmases or Thanksgivings, or any other holiday celebrations, because one of the major parts of the whole is missing. Many Canadian grandchildren no longer see their grandparents.

I suppose many of us, busy with our lives, never took the time to care or find out that some Canadian families are missing vital parts to keep them whole. We cannot do anything about the growing divorce rate which seems to know no check point. These are adults who must make their own decisions. We can address the needs of the family members for whom no one seems to be speaking, the rights of the grandchild, the rights of

all our grandchildren to see, to visit, to talk to their grandparents.

The movement for this type of legislation, which will only give grandparents standing before the courts, began a number of years ago in 1986 in British Columbia with the founding of the Canadian Grandparents' Rights Association. Now we have other chapters across Canada.

In Ontario, one grandparents group goes by the name of Grandparents Requesting Access and Dignity or GRAND. Another Ontario support group is Grandchildren/Grandparents' Rights of Wholeness through Heritage or GROWTH. It was formed by the group of grandparents concerned over the failure of provincial and federal legislation to adequately address the issue of grandchildren's rights to visit with their grandparents.

All these groups and others I have not yet mentioned are trying to address grandchildren's rights. Article 5 of the convention of the rights of the child, which was adopted by the General Assembly of the United Nations on November 20, 1989, requires state parties to respect the responsibility, rights and duties not only of parents but also of members of the extended family.

Article 16 of the said convention provides that no child shall be subjected to arbitrary or unlawful interference with family. Preventing a child from seeking his or her grandparents without just cause is unlawful interference with family. It is important that we look at why it is important that contact between grandchildren and grandparents be maintained after the divorce of the parents.

Would it simply not be cleaner and neater to cut off access so the children of the divorce, the memories of grandparents and the way it used to be when mommy and daddy lived together simply faded with the passage of time? Fortunately this is not the opinion of experts in the files of family psychology. Anton Klarich, chief psychologist of the French language separate schools in Essex county states: "A tremendous amount of love and security can go a long way to help children who are worried about what lies ahead of them in an increasingly uncertain world".

Klarich was referring to a report released in August 1993 by the Ontario government which showed that children as young as 10 are overwhelmed by the helplessness that grips family members worried about personal and financial problems. The children absorb feelings of insecurity, worry and fear. Klarich says: "With such a scenario it's good to know there is someone there within a child's family, the grandparents, who always provide love and stability".

This short poem reflects just such a feeling of love and security instilled in a young grandson by his grandpa entitled "Grandpa and Me":

He's never too busy to listen
He's never too tired to play
We go up on a hill and down together we ski
My Grandpa and me.
We go camping and we go fishing
A great fisherman is he
And then we sleep out under the trees#
My Grandpa and me.
I know that someday he will leave me
And I'll be as sad as can be
But I'll always remember the good times we had
My Grandpa and me.

This poem was written by an 11–year old grandson and I think he says it all very well. Lynn Wells, chief psychologist for the Wellington Board of Education in Guelph, Ontario, believes that grandparents contribute to the upbringing of grandchildren in more positive ways than they realize.

• (1235)

Her quote:

Young children create their self–concepts from the comments that people give them. So the more positive and loving people that are around them, to give them different perspectives of themselves, the more widely developed their self–esteem is.

A study in 1986 at the University of Guelph found that grandmothers have an innate tendency to respond to the needs and emotional upheaval of a grandchild.

The study was conducted by Jim Gladstone, a professor of social work surveyed 80 grandmothers in southwestern Ontario whose children had divorced or separated. Gladstone has said: "Previous research on children of divorce suggest that young children have very little opportunity to talk about the break–up. Grandmothers seem to be prepared to talk and listen to their grandchildren".

I want to share with members a poem written by a grandmother who has been denied access to her grandchildren. I believe she is asking us to listen:

The Voice of the Children

We've given our all or we wouldn't be here
And I'm saddened to say we don't have the ear
Of those, who we pray, might listen to us,
Until then we'll cry and try not to fuss—
Or worry about the children we love—
May they be safe, while God up above
Listens and answers our prayers from the heart—
While giving us guidance and some way to chart
A way, to the children, so near yet so far—
Hoping their plight is not going to mar

An innocent child, whose crime was to be Bonded
to parents who don't wish to see
The child is a victim, who does not deserve
To be treated as chattel—the purpose they serve
When used in a battle they can't understand—
Their cries go unheeded—the laws of the land
Must soon see the light, in the grandparent's role,
Until then, their lives are the terrible toll

That are paid, while they suffer, alone, with no way
To fight for their rights, with so little say
In who they might see or what they may do—
To whom they can speak—yet never to you—
Do they forget—believe we don't care?
I pray they are happy and not as aware

As I, who am saddened, with each passing day,
Not seeing their sweet little faces, at play—
With tears, never ending, at least in my heart
Each day is forever that we are apart—
Grant me some wisdom—the strength I will need
To comfort another, for I know how they bleed—
In their anguish and sorrow they look for a sign
As their tears intermingle, so freely, with mine—

All children are precious and sacred to me—
We're fighting a battle to help them be free
Of parents who own them—both body and soul
As long as I live may this be my goal!
They suffer, in silence, and never a word—
The voice of the children needs to be heard!

This poem is both a statement and a question. It is from one of our many hurting grandparents.

Ruth Isbister, Toronto author of *Grandparents Don't Just Babysit* says that the role and function of grandparents as the connection between past and future has not changed nor has their natural ability to make a child feel special. "You transfer a feeling of confidence to your grandchild". By their presence, grandparents add something to the child's comprehension of the continuity of life.

In fact one of the leading jurists in the United States in the area of grandparents' rights stated in 1992 that there were over three million children nationwide in the states being raised by grandparents.

The case for grandparents' rights has also been captured dramatically in the brief submitted by the Canadian Grandparents Rights Association of Richmond, B.C., to the Department of Justice. I would like to quote some passages from this brief:

> The experience of the grandparents' society shows that the true safety net with regard to child rearing is not the state but the grandparents.
>
> It is important to understand that this safety net is provided by grandparents not based upon the hopeless inefficiency of state bureaucracies. It does not function on the basis of filling out forms, making appointments, or qualifying by any test, nor is it governed or supervised by a psychologist, a counsellor, a therapist or a mediator. It is usually available on a phone call, the call often being a product of an emergency and attracts no publicity at all. It does not become an occasion for grandstanding in the press or in the courts.

The brief goes on to say:

> At present when there is a family break-up and the need to look after children, there is no obligation on the state to even notify members of the extended families, let alone consult with them, although state agencies will occasionally issue statements suggesting that that is the policy. In fact the state's policy is that the family ends with the parents which defies the social practice of Canadians across the country. In dealing with aboriginal communities in B.C. the same policy has come to be quite otherwise. An Indian band for instance will be notified if children of a band member have been apprehended. They will be given every assistance to look after the child within that community.

• (1240)

It is not clear to us why a perfectly sensible policy now developing in the case of aboriginals should be denied the overwhelming majority of Canadians. "This, with regard to grandparents specifically, where they are often more than ready to look after the children of a broken family.

When family is available, grandparent or extended family, it should be preferred to strangers in matters of custody, and that should be a statutory presumption. Access should be provided to grandparents also by a legal presumption, so that a parent who would deny it will have to make that case, will have to go to a judge and persuade".

I think you will agree this is pretty powerful stuff. On the other hand it is written by people who have contributed to society for a great many years and are now frustrated by the rules of that society.

There is another issue here we need to address. We have a growing crime rate with young offenders. Jails are crowded already. Is it not time we began to use common sense and preventive measures? We must reach children before they begin school. This is not a problem to be dumped on teachers. It begins in the home. Responsibility begins in the home.

Why then are we ignoring the very group in our society who can help build strong character and a sense of responsibility within our children, our senior citizens. They are experienced. They are wise. They are loving. They are willing to help, yes, willing to help.

I recently had the honour of listening to Judge Andrea Ruffo speak of her concerns that children know they are loved and needed, that they are encouraged to try to follow their dreams. Grandparents have the time to discuss our grandchildren's dreams with them and to encourage them.

I am not suggesting that all grandparents should have access to their grandchildren. I know there are some problems. That is why I stress the courts will make the decision in the best interests of the child. We must not punish 95 per cent of grandparents for 5 per cent of the problems.

Bill C–232 is designed to relieve some of this frustration. We owe it to these grandparents and we owe it to the grandchildren to see this bill passed into law. This is the year of the family. Families should include grandparents and great–grandparents. It is important that grandparents be given the rights set out in the bill.

Ladies and gentlemen, members of the House, we can do something. We have been sent to Parliament to make a difference. The passage of Bill C–232 will not cost the Canadian taxpayers anything except the cost of a stamp to alert grandparents when the divorce case will be heard before the courts. This bill will only give Canadian grandparents the right to be heard.

Access will only be granted if the judge feels it is in the best interests of the grandchild.

We often say we can do nothing. We have no excuse to say today we can do nothing. If and when this bill goes to committee, necessary changes can be made if it is decided in the best interests of the child.

Bills are amended every day if necessary. Here we can address a problem too long denied in our country, the right of the child to his or her family. May I suggest that this is such a time to relieve the frustrations of grandparents not able to visit or see their grandchildren.

I know that some will question the appropriateness of this bill because it deals with the problems of a very small group of people. It can be argued that this type of change should be made in the context of an overall review of family law at the provincial level. There it could deal with common law relationships and with children put in foster homes.

I can tell you that the grandparents groups that tried this avenue have been given the usual bureaucratic runaround. It is time to do something positive for those who helped to build this great country, grandparents. If this bill is passed and becomes law then perhaps the provincial jurisdictions will move to broaden the group who could benefit from such as law. However, let us, the members of this federal Parliament, take a stand today and get on with this bill.

May I remind the House our Prime Minister on his recent tour to China made the comment that representatives of different political stripes can pull together for the benefit of the country and all Canadians.

As I said at the beginning of my speech this is not a partisan issue. I hope and I know grandparents across the country hope that the government will support this measure so that it will be passed into law and fill one of the large holes in the Divorce Act. The voice of the children needs to be heard.

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, I am very pleased to speak to Bill C–232, an act to amend the Divorce Act which is the granting of access to or custody of a child to a grandparent proposed by my colleague, the member for Mission—Coquitlam.

It is especially important to note, as she has mentioned in her comment, that I am standing in support of this bill. One of the nice things that can happen in this House is that members from different parties can agree on an issue when it is relevant to all Canadians. It is particularly relevant in this International Year of the Family that we are discussing this important relationship between grandparents and grandchildren. More important, we are talking about protecting that relationship.

• (1245)

I am a grandparent. As we all know grandparents can and do play an important role in the psychological and social development of grandchildren. They provide an additional source of love, affection, support and understanding, all of which serve to enhance the child's self esteem and confidence.

Grandparents serve as mentors and as teachers to their grandchildren, giving them the benefit of years of experience and a sense of their roots that cannot be obtained from any other source.

Especially important is the relationship between grandparents and grandchildren when families dissolve and separate. Children are the innocent parties of a marriage breakup. They are the ones who are least capable of coping or understanding the problems that divorce creates. As a result, their disrupted lives and broken hearts need healing. They need someone who can hold them together in this very complicated and stressful time.

Grandparents do play an integral role in this process of healing. Grandparents give a real sense of security and continuity. They provide a sense of being wanted and loved. A grandparent's love is unconditional.

Despite the positive role that grandparents play in the lives of their grandchildren prior to the family breakup, during separation and after the divorce they often do not have access to these vulnerable young people. As a grandmother it is very difficult for me to understand not having access to my wonderful grandchildren.

They are sometimes denied the right to visit or to have contact with their grandchildren. Grandparents rights organizations across Canada have thousands of documented cases where grandparents have been obstructed from contacting their grandchildren.

I recall a case in Toronto in which a woman lost contact with her seven year old grandson when her former daughter–in–law refused to take her phone calls or allow her any visitation rights. After considerable attempts to contact the mother in order to work out some kind of visitation, the grandparent was charged with phone harassment and thrown in jail, locked up with the criminals.

Yesterday I received a letter from a grandmother in my riding of Nepean relaying her anguish to me over her inability to see her young grandson. I would like to quote from her letter. She says: "Because of a pending divorce I am having difficulty seeing my grandson and this is a cause of constant pain in our family. We waited 11 years for a grandchild. Much of the joy of this wondrous event is now tarnished as we have no right to access. Denying or making it difficult for us to visit with our little guy runs contrary to most people's idea of family. A child has two families and deserves to know them both well. To know he is treasured, to have pride and love from both sides of the family is a birthright".

I could go on and on with testimonials from grandparents across the country fighting for the right to see and speak to their grandchildren. There are many.

On October 5, 1994, I presented over 3,000 signatures in this House of Commons seeking a remedy to this problem. Just yesterday I received another 802 signatures. In many of these cases it is a personal tragedy for the grandparents. More important, it is a personal tragedy for the grandchildren of immense proportions that will probably affect them for the rest of their lives.

There are a number of organizations across Canada that are working very diligently to help grandparents who are experiencing this situation. I would like to take this opportunity to mention the organizations I have been working with. I cannot mention all of the people, but I see some here in the gallery today, although I know I am not supposed to mention that. They include GRAND, Florence Knight of the Canadian Grandparents' Rights Association, Liliane George of the Grandparents Requesting Access and Dignity and Madeleine Bremner of the Grandparents Right of Wholesomeness Through Heritage.

I congratulate them and all of the many people who have worked so hard in this regard. All of these people have done a tremendous amount of work. I congratulate all of you.

In Canada federal legislation states that grandparents have no legal access to grandchildren. That is sad. If a grandparent wants to see one of their grandsons or granddaughters who for example is living with a former daughter–in–law they may have to go to court unless there is an agreement made with the divorcing parent.

This process can be terribly expensive and time consuming. It pits grandparents against an aggressive and adversarial court system. This is not conducive to the maintenance of harmonious relationships.

• (1250)

Many countries in the world recognize the unique relationships between grandparents and grandchildren. In most cases they have granted either through legislation or through jurisprudence that parents may not without serious cause place obstacles to relations between the child and his or her grandparents.

Since 1980 the Quebec civil code has stated that "in no case may the father or the mother, without serious cause, place obstacles to personal relationships between child and grandparents. Failing agreement between the parties, the legalities of the relations are settled by the court".

This recognizes that the personal ties between the grandparent and the grandchild must not be interpreted as an intrusion in the life of the custodial parents, but as an opportunity for the child to maintain a link with his or her ancestry and cultural heritage as well as an opportunity to maintain that unique relationship with his or her grandparent.

The amendments to the Divorce Act proposed by Bill C–232, and my colleague has joined me on this side of the House, would serve to complement this section of the civil code on grandparents.

Bill C–232 recognizes the federal government's role in ensuring grandparents' access to grandchildren by amending the Divorce Act to recognize them as a distinct category of third persons who may apply for access to a child without requiring leave of the court.

The Divorce Act would also provide a presumption that this relationship is in the best interests of the child and that this relationship should therefore not be disturbed unless it can be demonstrated to a court that it is not in the best interest of the child for the grandparents to have access to this grandchild. My colleague mentioned that in her comments.

Upon seeking legal advice with regard to my bill, which is similar to this Bill C–232, there is a clause in my bill as well as in hers that causes me concern. It was lines 10 through 17 which reads: "Unless the court orders otherwise, a spouse or grandparent who is granted access to a child of the marriage has the right to make inquiries and to be given information as to the health, education and welfare of that child".

There is concern with this proposal because this type of information is private and normally only available to parents in normal marriage situations. If this amendment were included in the Divorce Act the effect may be that grandparents of the children of divorced parents could have rights to receive health and educational information that grandparents of children in an intact family do not have.

While I wholeheartedly support the principles laid out in the bill and I will support it, I will seek to amend clause 1 through the justice committee's review. I would amend it by possibly deleting lines 10 to 17. First and foremost, and I must say this quite categorically, I will be supporting this bill and will work to ensure that it reaches final approval in this House of Commons.

I cannot emphasize enough the importance of this bill. The relationship that exists between grandparents and grandchildren is unique. During these times of rapid social change, this bond provides a sense of continuity and hope in the lives of our young people. When obstacles are placed in the way of this relationship the results can be devastating for both grandparents and grandchildren.

I call on all my colleagues in this House to support Bill C–232 to amend the Divorce Act, to protect the rights of grandparents to have access to their grandchildren.

I am delighted to stand here today in support of Bill C–232 and I would hope that all my colleagues would do the same.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I rise today to speak to this bill to amend the Divorce Act, Bill C–232. The bill would amend the Divorce Act to provide for a person to be granted custody of or access to any of his or her grandchildren. By virtue of this change, grandparents would no longer be required to obtain leave of the court to make such an application.

Furthermore, this bill would give grandparents the right to be given information as to the health, education and welfare of the child. Finally, this bill provides that these amendments to the Divorce Act would be reviewed by a parliamentary committee four years after coming into force.

Taken at face value, this bill appears eminently acceptable and I must admit that, as a grandmother myself, my gut reaction would be to support the bill.

• (1255)

After all, what grandparent would accept to be denied access to his or her grandchildren after their parents separate or get divorced? Of course, such sensitivity and feelings are only human and quite normal when, for example, they have fewer kids and they live far away, in poverty and in sickness, as the case may be.

Nonetheless, we think that this bill wanders from the primary objective, which is the welfare of the child. The emotional needs of grandparents should certainly not come before their grandchildren's quality of life.

As Madam Justice Andrée Ruffo said, it may be more appropriate to talk in terms of the rights of children to be granted access to their grandparents than the other way around. When there are children involved, the paramount criterion should be their best interests.

All in the name of commendable principles such as the rights of grandparents and the welfare of grandchildren, I can see how Bill C–232 could put the child in the middle not only of family disputes, but also of jurisdiction disputes.

Let us be quite clear on this point. Bill C–232 is inefficient if its primary goal is to facilitate contacts between grandparents and grandchildren. It may make the process easier for grandparents, but it may in turn make things more complicated when the parents are deemed to have retained parental control and there are no reasons for them to be disqualified.

Parental control, incidentally and to the best of our knowledge, is an exclusive provincial jurisdiction under paragraph 92(13) of the Constitution Act, 1867. We wonder if giving more rights to the grandparents, when there is a divorce, is not an encroachment on provincial jurisdiction.

As we know, the federal government has jurisdiction in divorce matters. In a general sense, we wonder if Bill C–232 is a challengeable extension of federal jurisdiction over divorce at the expense of provincial jurisdiction in family matters.

Other questions come to mind. What are the rights of grandparents when the parents are not married, as is now the case for 40 per cent of children born in Quebec? Federal parliamentarians must note that the continued rise in the number of children born outside marriage means that provincial family law is gradually replacing the federal Divorce Act on issues relating to child custody and access rights.

It must be understood that Bill C–232 only affects the children of couples in the process of divorcing or already divorced. Most children are not affected by divorce, while others live, as we have just pointed out, with parents who are not legally married.

This bill may not be as helpful to the grandparents who want access to their grandchildren as it purports to be.

Furthermore, the parents or people with legal custody of a child have primary responsibility for looking after the child's best interests. In abuse cases, judicial remedies may be authorized by provincial legislation. Provincial legislation also applies to all family situations, even in the absence of marriage leading to divorce.

After reviewing this bill, we fear that, despite honourable intentions, C–232 only compensates for some provinces' reluctance to legislate in this area.

• (1300)

As for Quebec, it passed legislation on this issue 14 years ago. Indeed, the Quebec civil code, through article 611, allows grandparents who suffer a prejudice, in terms of their relations with their grandchildren, to ask the courts to examine the details of these relations.

Article 611 of the Quebec civil code provides that fathers and mothers cannot, unless they have a major reason to do so, interfere with the personal relations of a child and his or her grandparents. Unless there is an agreement between the parties, the details of these relations are defined by the court.

This article from the Quebec civil code is not only comprehensive, it is also clear. It can be invoked before or after a divorce, in the case of married people, as well as in the case of common–law couples, single–parent families, or after the adoption of a child by a new spouse.

Quebec's legislation is already far ahead of this unbalanced bill. As we said earlier, the federal government does not have to compensate for the reluctance of other provinces to legislate.

We have problems with another provision of this legislation. I am referring to the fact that grandparents would have the right to make inquiries as to the health and education of a child. Based on Quebec's legislation on personal information, we thought

that the protection of information on health and education also fell under provincial jurisdiction.

It goes without saying that the parent of parents having custody of a child must not be allowed to break the contact between that child and his or her grandparents. The underlying principles of Bill C–232 are closely related to those of the Quebec civil code. However, the Divorce Act may not be the most appropriate tool to grant and recognize rights to grandparents.

I will conclude by saying that, as regards Quebec, we fear Bill C–232 would accentuate the existing double jurisdiction concerning family law. As you know, the federal Parliament has exclusive jurisdiction over marriages and divorces, while Quebec can legislate wedding celebrations, property and civil rights, marital regimes, adoptions, separations from bed and board, child custody and so on. This double jurisdiction not only leads to inconsistencies in family law, but also prevents Quebec from making an appropriate reform and creating a unified family court. Bill C–232 might worsen the situation for Quebec.

The Bloc Quebecois feels that this bill is premature and inappropriate. I want to point out to the hon. members that we only wanted to question the merits of that legislation, not necessarily oppose it.

[*English*]

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I did not prepare in depth notes today because I was not aware that I would have an opportunity to speak. However, I am very pleased to stand and support this bill by the hon. member for Mission—Coquitlam.

I have had numerous calls and responses from people in Nova Scotia. Certain things come up frequently from the parents and grandparents in particular who are for the most part over the age of 50. These people through life experiences, through living and through working, have accumulated a great deal of experience in nurturing, guidance, sharing and loving. It is that experience that quite often the child of the second generation needs.

• (1305)

Very often in many instances we see that the parents, whether through divorce, through emotional breakups, through living situations, arrangements that are so different and complex today, are so directly involved with the children through emotion and sometimes the direct link. It does not give them the vision to see the grandparents' needs and it does not give them the opportunity. The grandparent is at an arm's length so to speak and they can look at situations quite often more objectively than in an emotional situation in which two parents or two partners are having difficulty with children.

Although this does come under federal jurisdiction, and the hon. member from the Bloc has pointed out the complexities that might arise because of this and because of family law in some provinces, I believe that we can work on those details, that we can look at this bill in depth and bring in the changes or the amendments, whatever is required, to make it more workable, more effective.

It is imperative. I have seen, as I am sure all of my colleagues would have seen, throughout our provinces that today we have so many young people raising children in isolation quite often without access to the experience of the older population of both men and women who have lived long and have that experience of living and working and have the wisdom of nurturing and sharing without the biases and the direct emotional interference that the first generation often has to combat.

I have recommended this in my own province. Quite often the young women today having babies and being isolated in apartments on their own have no guidance. They have no connection to those older people in society who have the wisdom of common sense, love and nurturing. This is a fault in our society.

I believe this bill would bring in a closer connection to that whole realm of family and bringing love, nurturing, guidance and common sense of old wisdom that just comes from raising a family.

This bill might go a long way in not only having grandparents' rights to the children but more than anything serving the children who need to know the love and nurturing and wisdom of living.

A survey was done in one of the American schools asking the children how many of them could cite their grandparent's name. It was unbelievable the high number of children who could not even tell their grandmother's or their grandfather's name. To me, that is quite deplorable. It is a fact of society today.

I believe we are on the right track with this bill in helping society, in helping parents to get an added abundance of love and nurturing that can come from the grandparents' side.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is with great pleasure that I rise today to speak to Bill C–232, a bill put forward by my hon. colleague from Mission—Coquitlam.

Bill C–232 would amend the Divorce Act in such a way to give grandparents the right of access to their grandchildren. In this the International Year of the Family is it not the perfect opportunity to legally recognize the important place that grandparents occupy in the family unit? I am pleased to see support in this House as we take the initiative in this important area of family development.

Today's family structure is threatened by a host of uncertainties, tensions and stresses which can be attributed to unfortunate financial circumstances, job loss, career or vocational instability or family breakdown. There are occasions when the provision of adequate care for children within these situations becomes secondary to the unexpected disturbances or turbulence within the family setting. The very urgent and oftentimes invisible needs of the children in such an environment can be overlooked.

• (1310)

I am sure all of us here have met adults who, despite being adequately nourished and cared for physically as children, demonstrate the impoverishment of their emotional upbringing. While it is unlikely that any single event can be said to be responsible for all adult distress, we can nonetheless argue there is abundant evidence to suggest that the adult personality is constructed to a considerable extent from childhood experiences and that those who care for young children determine and define the nature of these experiences.

As we consider this bill, let us not forget to address how best to meet the needs of children in dysfunctional settings, acknowledging that those who care about the children are also likely to be better able to care for them.

Under the provisions of this bill and in the case of divorce the trial judge would be permitted to address the needs of the whole family at a time when it is least able to deal with problems. It is difficult for children after a marriage breakup to adjust to this change and if in addition they lose their grandparents, it can be devastating. It is devastating for the children because they lose what may seem to be the only stable element in their young lives and devastating for the grandparents because the children they love can be taken away from them with little legal recourse.

Since most grandparents are on fixed incomes and cannot afford to initiate a court action to help their grandchildren maintain some security and stability in their lives, I believe the government should intervene to alleviate the fear of losing their grandchildren. Many grandparents experience a sense of tremendous loss during divorce proceedings and this sense of loss in many cases becomes a reality. Bill C–232 sets out to change this.

The bill before us would amend the Divorce Act in such a way as to provide a person wishing to make an application under the Divorce Act to be granted access to or custody of any of his or her grandchildren and shall not be required to obtain leave of the court to make such an application. The bill would also provide that a person who was granted access to any of his or her grandchildren shall have the right to make inquiries and to be given information as to the health, education and welfare of the child.

To make sure these amendments to the Divorce Act are actually serving their intended purpose they would be subject to a review by a parliamentary committee every four years after their enactment.

Most grandparents are concerned about the well–being of their grandchildren. This whole subject was debated in the Alberta legislature. I would like to read from its *Hansard*. In her speech Mrs. Hughes quoted a study by Jim Gladstone from the University of Guelph. Gladstone conducted a study in 1986 that reinforced the importance of grandparents, that relationship of grandparents to grandchildren.

That report concluded that when marriages break down, grandmothers have more contact with their grandchildren than before the breakdown. Gladstone believes this means grandparents have an innate tendency to respond to the needs and emotional upheaval of their grandchildren. Previous research on children of divorce has suggested that young children have very little opportuntiy to talk about the breakup.

Gladstone believes that through the child's unique relationship with the grandparents they can obtain the kind of counselling, comfort and reassurance that they need providing they have continuous access.

In the Winter 1991 issue of *Your Better Health Magazine*, a writer Jane Widerman writes of the personal devastation experienced by estranged grandparents: "Until recently when it came to the fallout from divorce, the primary focus has been on the nuclear family".

Professor Edward Kruk of the University of Calgary does social work there. He first began to formally study the effect of divorce on the extended family. He says: "Mental health practitioners have tended to ignore the extended family and the importance of the grandparent–grandchild attachment, which doesn't decrease after divorce".

Social work experts are beginning to recognize that the phenomenon of estranged grandparents is larger than was first suspected and Kruk agrees. In his recent study of non–custodial fathers he found that more than 50 per cent lose contact with their children. By extension, the fathers' parents probably also suffer the loss of access which, says Kruk, likely translates into major mental and physical health problems for grandparents.

It is called involuntary child absence syndrome when referring to non–custodial fathers. The symptoms encompass a range of health problems including disrupted sleep, anxiety attacks, grief, mourning and depression. It is bad enough that anyone should suffer. But what parents may not realize is that if the grandparent–grandchild relationship is sabotaged the children are casualties too.

• (1315)

Kruk says that older relatives represent stability, giving children a sense of personal history, a sense of personal belonging. This becomes even more important when one link in the familial chain is removed. During the trauma of divorce grandparents can be a huge source of comfort to the children, a sort of neutral territory in the divorce battleground.

Children cut off from their grandparents experience the double whammy of separation from the non–custodial parent as well as one set of grandparents. Therefore, there is a necessity for creative legislation to protect access for grandparents. Bill C–232 would legally recognize these unique relationships.

We need to also look at the precedents in legislation. For example all 50 states in the United States have similar types of legislation. In Canada, Quebec in article 659 has dealt with this item as my hon. colleague previously mentioned as has Ontario in article 59(4).

It therefore seems to be at the very least reasonable and psychologically sound to argue that children should be nurtured and cared for by people who have actively chosen to be with them and to have a commitment in their development and well–being. I urge all hon. members of the House to give thoughtful deliberation to this bill and based on its merits and for grandparents and grandchildren everywhere give it their vigorous support.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I am very pleased to advise the House that I am going to be a grandfather in February for the very first time. This is a rather interesting experience. I have always wanted to be a grandfather. However when my wife's aunt asked what I thought it was going to feel to be a grandfather, I thought: I cannot be that old. It is a very unusual feeling.

I am standing to speak in favour of this bill not only from a personal point of view but also from the point of view of the concerns that many of my constituents have passed along to me.

The stability of children is the question we are discussing here. When children have stability as they grow to be adults that our society will have stability. Our society is made up of individual components, 29 million of us. As we have individual stability so our society will be as well.

Unfortunately, it is a widely accepted premise that during the course of a divorce many children if not the majority feel as though somehow they are the people who are to blame. They end up blaming themselves for all of the fracture within their family unit that is going on around them. They truly need stability.

Almost invariably there is hostility at that particular time. Again, children pick up on that and unfortunately part of that hostility can be focused specifically toward the grandparents. In other words when the parents are fighting with each other, particularly if their parents in turn become part of that fight, there ends up being this hostility.

If we are going to be able to work in the direction of creating a feeling of roots and self–worth, then the grandparents have a very, very important place in that. Children have to have a feeling of ownership, that they are part of something. Children have to be able to develop a feeling of self–worth.

I also believe that each of us in our own way feels it is important that we have a feeling for our heritage. Many of us have travelled to the places our grandparents came from, places we have never seen before. Perhaps they are overseas or perhaps they are in this country. We have never seen them and yet we have a feeling of belonging and a feeling of heritage.

• (1320)

For all of those reasons I speak in favour of this bill. However I knew that the Liberal members would be disappointed if the Reform Party did not end up talking about dollars and cents at some point in this debate so I will not disappoint them. I quote from a submission on behalf of the Canadian Grandparents Rights Association to the Custody and access project, family and youth law policy section of the Department of Justice:

> We believe that one large problem in this area is a gross misconception of the powers and capabilities of the state. In British Columbia for instance, out of 850,000 children, the state has seen fit to apprehend into its custody about 6,000 at current levels. Most of these are children who have been in and out of custody repeatedly, rebellious teenagers, or Indian children. Less than 2,000 will be small children it was necessary to remove from their parents. Even this small number (one that has been declining for two decades) creates a huge financial obligation for the state in terms of immediate care, foster care, and the associated activities of the state, including investigation, apprehension and after care. It is hard to reach a definite conclusion as to what those costs are, but we believe they are more than $50 million a year.

There we have it. We have a dollar and cents argument to something that to any rational and reasonable person is not a dollar and cents issue. Nonetheless it does have implications for our society.

Rather than standing and beating my gums for another eight minutes what I simply would like to say is that I speak strongly in favour of this bill. I believe as we have strong citizens in our country with a strong feeling of self–worth which comes in no small part from the feeling of heritage and parentage that we will be building a better and stronger society.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am also pleased to stand in support of my hon. colleague's bill. I have a leg up on the hon. member who just spoke because I already am a grandfather.

I put this all into perspective. It is a great privilege to be part of a family. When I think of the influence my parents have had on our children and indeed the influence my grandparents had on

me, I think that we greatly err if we do not do everything possible to preserve that familial connection.

I remember when I was a young man leaving home for the first time to go to university in Saskatoon. My parents made a special point of taking me over to my grandparents' place to say goodbye to them. I will never forget that my grandfather, who is long gone now, took the time to pray with me. That was very important to our family. We had an opportunity to pass on those most deeply held values from generation to generation. Our grandparents were of great assistance.

I think also particularly of my children's grandfather, my father–in–law, who was a tremendously strong influence in their lives. He was most influential and was such a solid and loving man.

To a large degree I will speak on behalf of grandfathers. At the beginning of this debate it was our female members who were promoting it which is wonderful. However I do not want people reading this record to think that we men do not care because we do care deeply. I am thinking particularly of my own children and the high esteem in which they held Grandpa Klassen as we called him, my wife's father, and how we all were so close together during that time when he was fighting cancer. He passed away just a little over a year ago. Therefore those are extremely important connections.

I think too of the occasions that we have had in working together with a number of families in recent years who have experienced this devastation of the family breakup. I remember not long ago speaking with the father of a couple, I will not identify them, who were breaking up and how he literally cried when he thought of his grandchildren.

I can only, as forcefully as I can, support this bill and say how important it is for children, for grandfathers as well as for grandmothers. I commend and congratulate my colleague for bringing this forward.

The Deputy Speaker: The hon. member for Elk Island will have four minutes if he wishes the next time this matter comes up for debate. That is the time remaining to him.

The time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

It being 1.26 p.m., this House stands adjourned until next Monday at 11 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 1.26 p.m.)

HOUSE OF COMMONS

Monday, November 28, 1994

The House met at 11 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

BUDGETARY POLICY

Hon. David Anderson (for the Secretary of State (Parliamentary Affairs), Lib.) moved:

That this House take note of the opinions expressed by Canadians on the budgetary policy of the government and, notwithstanding the provisions of Standing Order 83.1, authorize the Standing Committee on Finance to make a report or reports thereon no later than December 7, 1994.

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, it is a great pleasure for me to rise this morning. We are in the process of a historical evolution of the way Parliament deals with issues and, more important, we are as Canadians in a historic moment in terms of what we are going to do with our economic future.

Our combined federal and provincial debt is now greater than the sum of all economic activity in any one year in Canada, more than 100 per cent of our gross domestic product. This debt has been building for the last 20 years. Every minute that I speak that debt is going up about $85,000.

• (1105)

We are at the point at which one–quarter of all federal government spending is on interest alone. It is not even going to pay down that debt. One–third of all the money the federal government takes in goes to pay that interest. That means it cannot be spent on the programs which are necessary to build our economic future and create a fair and equitable society for all Canadians.

In spite of many declarations in the past by other governments, no government has yet come to grips with the problem of our mounting debt and deficit. In the budget of last February our finance minister said that we must start. We can no longer continue on this route and as an interim target over two years he said we would get the deficit down from about 6 per cent of our gross domestic product to 3 per cent.

This means we will have to go from about a $42 billion deficit this year to a $25 billion deficit within two years. If we assume a certain amount of growth in our economy this means we are going to have to intervene as governments never before have to strip over $9 billion out of this deficit through either increased federal revenues or cuts in spending. This is a monumental undertaking never before seen in the budgetary history of the Government of Canada.

To assist the government and all parliamentarians in this task the minister asked the finance committee, which I am honoured to chair, to undertake public discussions not only on the enormity of the deficit and how much we should try to get it down but whether his economic assumptions are valid. More specifically he asked us to consult with Canadians to find out exactly what we should do, where we should increase taxes if any and where we should cut programs.

Our committee has had less than two months, six weeks so far, to undertake this task. The minister appeared before the finance committee on October 17 and 18 and laid before us two major studies, one of which was the purple book, "A New Framework for Economic Policy", dealing with all of the broad aspects of our economic future, how we are going to sustain employment in the future, how we are going to cope with the changing world economy, the global environment in which we find ourselves, and take advantage of the new economy.

In this book he outlined five principles to which we must look. One is the need for Canadians to acquire new skills. The second is how all of us, including governments, can adjust to the changing economic circumstances, recognizing it is the private sector that creates jobs, and what can be the role of the government in aiding and abetting the private sector in this quest.

One of the major things pointed out is that the standard of living of all Canadians has really been declining in non–inflationary terms for the past 20 years and this just happens to coincide with a fall in the productivity of Canadians. Our major challenge, as we all know, is to take Canada, a country which in many ways has been a third world because of its heavy economic reliance on its resource sectors, to an economy which is really in the forefront of relying more and more on its human resources.

The third principle outlined in this book is getting government priorities right, which are the areas where we should be involved, how we can eliminate those aspects of our activities which are of a low priority.

The fourth principle is recognizing that we must as legislators and as governments play a role of economic leadership, recognizing as I stated that it is the private sector which creates jobs.

• (1110)

Also of concern is how the public sector works with the private sector to help bring about the transformation of our economy to implement the new technologies, to create the new type of infrastructure which can take us into the 21st century and be among the leaders in global competitiveness. How can we enhance further our exports? How can we aid and work with small business which will be the major creator of jobs in the future to ensure that it has the financial resources and the know how to be global players rather than simply backyard putters?

The fifth element of this study shows where government must play a leading role to create the type of monetary and fiscal climate which we need to make all of these other things happen.

I want to deal very briefly with the second study that he put before us. It deals with this fifth aspect of how we go about creating the jobs in the economy of the future, "Creating a Healthy Fiscal Climate". This was tabled by the minister before us on October 18. The next day our committee began its public hearings on this very issue.

Before I get into some of the details of what we have been hearing, members from all parties on this committee have taken the task extremely seriously. They have studied. They have agonized. They have brought different perspectives to our work. In many cases we as members of this committee have been able to arrive at a consensus built not only on our work as members of Parliament but more important a consensus arrived at listening to Canadians from coast to coast.

We have heard many witnesses in Ottawa and in every province as we travelled. We have heard from the usual suspects, the lobby groups that are well entrenched that have their head offices here in Ottawa and that we knew would come before us and whose advice we have actively sought. We have also heard from many individual Canadians who, concerned about our future, have brought their perspectives to our deliberations.

One of the major points of agreement that we have heard right across the country is we must go at least as far as the finance minister suggested to us in meeting our deficit targets. We must within two years get our federal deficit down to at least $25 billion.

A good number of witnesses said that government must go further than the $25 billion. We know we are in a business upswing at this present time. Growth is strong, job creation is strong, but it cannot last forever. There is an inexorability to these business cycles. We cannot sustain them on a perpetual basis, although everyone wishes we could.

There were many witnesses who said please go even further at this time. Some have said if we are going to cut or increase taxes to the extent necessary to reach these even expanded targets, targets beyond what the finance minister has asked of us, we run the risk of putting a brake on the economy and slowing the growth and the job creation that we already are experiencing.

Another consensus that we have reached is that we know we are going to have to make some cuts. Not one member of the committee and not one witness who appeared before us suggested that we could make cuts or increase taxes on the backs of the poor or the most under privileged or the least favoured of Canadians. All of us are aware of the high level of poverty in Canada, particularly among children. It would be unconscionable to think that the cutbacks we are going to have to make would be on the backs of those least able to deal with them.

• (1115)

In terms of specific solutions to our problems, the minister said to us: "Don't come back to me with generalities; come back with specific tax measures or specific cuts that we can make". Unfortunately the consultation process has been less than perfect.

We had a number of categories of witnesses who have appeared before us. There are those who say: "We are so special that we need not be part of this deficit reduction process. Our case is so special that we need added breaks; we need added funding". There are others who have come before us and said: "We are a special case; don't cut us. We will live with what you have given us".

There are others who at least tried to respond to the minister's challenge and came before us and said: "We are special. We can put a little bit on the table, but here is where you really have to cut, in somebody else's backyard". All too rare were the witnesses who came before us and said: "I have something to bring to the table. I seek nothing from it".

Those witnesses stand out in our minds. There was a wealthy person, Bob Blair, from Alberta who said that the generation of which he is a part, the generation of which we are a part, those who have enjoyed the benefits of this huge increased spending way beyond our means to pay it back over the last 20 years, those of us who have benefited so richly, have an obligation to give it back to our country.

He suggested that the wealthy could be called on to actually make donations to a deficit reduction fund for the state. That is the type of civitas, as the Greeks called it, or Greek leadership which I think all of us admire.

I remember a senior citizen who appeared before us in Atlantic Canada. He waited through a whole long day of testimony. He came before us and he said: "I am here out of a sense of guilt. I am a veteran. I get a pension because I was a prisoner of war during the second world war. That pension is about $10,000. I was never asked whether I wanted it or needed it, but it kept coming in and I have never sent it back. It's not even taxed. I am getting that and I don't deserve it. I'm not even a war hero. I bailed out over the Ruhr". This gentleman is prepared to put that money on the table to help the rest of Canada deal with this deficit crisis.

As I go through these deliberations I will always remember these two examples, rare examples, of Canadians who said: "I can be part of the solution". All members of our committee are convinced that whatever solutions we adopt, all Canadians, except those who are the least favoured, must be part of the solution. All Canadians must be asked to bear their fair share of the consequences of what we are going to have to do to wrestle that debt to the ground, to get the debt down so that our economy is once again growing faster than our debt. We owe this to succeeding generations to Canadians.

One of the major things that emerged during the course of our deliberations was that maybe my generation and the generations that have been living off this added borrowing, this added consumption over the past two decades and who are passing the deficit on to younger generations, have an obligation to pay even more than their fair share. It is a very interesting concept that was brought before us. It emerged in the concept of perhaps we should have a tax on inheritances so that some of the wealth that has been built up, at least in very rich estates, should go back to the state to help pay off the deficit.

• (1120)

We had a number of proposals before us which stated that taxes are almost at the breaking point. There is not much more juice to squeeze out of the tax orange by international standards and particularly American standards, which are the most important in this area. There is not much room to increase taxes and there may be no room. We have seen over the past decade how our personal income taxes have mattered and how they have become less and less progressive.

How do we create fairness when we are going about the process of cutting back on the deficit in a way that has never been undertaken before and which is going to have a dramatic impact on all Canadians?

[*Translation*]

It is going to be really tough. It will not be an easy job for us as members of Parliament and committee members, nor for the finance minister, the Prime Minister and the cabinet. It should and will be their responsibility to present Canadians with specific budget policy projects. We, the committee members, found a nearly universal desire in Canada to deal with the deficit, and to do it in a fair and equitable manner for all Canadians, especially the poorest members of society.

[*English*]

In going about this cutting, and we are going to have serious cutbacks in programs, the committee is not the only body looking at potential ways to deal with the deficit. A comprehensive analysis of all of our programs has been undertaken, a program review by the Government of Canada. Other committees as well have been charged with reviewing particular programs and undertakings. All these will be an important ingredient of this.

However, I suspect that none will have a greater impact than the recommendations of our finance committee which has had the benefit, for the first time in Canadian history, of public consultations with a broad range of Canadians.

One of the greatest advantages of these public consultations, which have never been undertaken, is that in the past those who could get in to the finance minister's office could make their case behind closed doors. The finance minister has said that this will no longer be the way prebudget consultation is carried out. It must be done in public before members of a committee that has all parties represented. We want all Canadians to see what special interests are being advocated, what privileges are being advocated and what solutions are being advocated.

Unfortunately we have not heard enough of the details on the solutions and not enough of a consensus has come to this committee across the board. As I mentioned, too much of the testimony has been "cut others but not us". This is why, as members of the committee, it will be our obligation to make some very hard decisions on where we might get increased tax revenues, where we might get rid of some inequities or unfairness in the tax system itself and where our priority for cutting programs will be. What are those programs which are necessary to sustain the social justice which is so much a part of Canada's fabric?

• (1125)

What are the programs which are necessary to maintain the balance that we have always had and which will always be a hallmark of our country, the balance between a vibrant private sector but a co–operative and supportive public sector which is necessary to maintain the balance of not cutting those programs which are going to actually help us build a strong economy in Canada for our future?

As we wrestle with these issues, I believe that the process of consultation with Canadians must not stop. We will continually seek their input. We must continually seek input from members of all parties of the House on an ongoing basis, members who are of good conscience and conscientiousness who have brought to us and laid out in concrete terms where they feel those priorities lie.

The task is not going to be easy. I know that Canadians expect us to deal with this deficit. They will treat us most harshly if, as previous governments have done, we pay lip service to the problem but do not tackle it directly, concretely and precisely at this moment in history. We have a window of opportunity. We shall not hesitate to act.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, as it has done since the beginning of the process, the Official Opposition is reminding you, Quebecers and Canadians of the seriousness of Canada's fiscal situation. Nobody, on this side of the House or on the other, is denying the existence of serious problems, and I would say that when it comes to federal public finances, we are actually dealing not with serious problems, but rather with a state of crisis.

One only has to look at how expenditures and deficits have evolved to realize that, in spite of the restraint measures of the last few years, the federal debt has grown to become one of the largest of any central government in the world. It is standing in the way of sustained economic recovery and job creation. This has been particularly obvious in the last two years as, in spite of certain signs of economic recovery and growth, jobs are not being created in a sustained manner. We are not denying the fact that we need drastic measures to reduce expenditures, as well as measures concerning loopholes in our tax expenditures, as the finance minister called them. I believe that there is a fairly broad consensus on this point.

However, we disagree on the means. For the next few minutes, I am going to talk about our analysis of the means used by the Liberal government or even the means suggested by our Reform colleagues. I will conclude by explaining why the Bloc Quebecois will vote against the motion before us this morning. We will not support the motion presented this morning by the Liberal government with a view to postponing the tabling of the finance committee report, because the reasons for doing so are not the ones stated by the finance committee chairman.

We have been convinced from the start that these consultations are a smoke screen. They resemble those held by the finance minister before tabling his first budget, last February. We are equally convinced that the Liberal government is seeking to first move back the deadline, and second reduce to nothing the amount of time to be spent analyzing and debating the finance committee's prebudget consultation report.

• (1130)

I can tell you that the motion before us, which seeks to postpone to December 7 the tabling of the report originally requested for December 2, is the result of intense pressure on the part of the official opposition. The initial motion submitted to the finance committee asked permission to table the report not on the 2nd, as requested by the House of Commons order, not on the 7th as sought in today's motion, but on December 16. They were taking us for something we are not and assumed that we would not remember that December 16 is the last sitting day of the year, and that next year we do not come back before February, the very month when the Minister of Finance is supposed to table his budget.

While claiming that there is a need for consultation, a need to seek additional ideas, the government is trying to hide its real intentions. We hear great sounding, compassionate speeches on the need to protect the neediest, but we are not being told the truth on the upcoming reforms. We are given grand speeches on the social situation, on poverty, when all the measures taken so far by the government, in particular since the budget of the Minister of Finance, were against the unemployed, welfare recipients, students and seniors.

Just think that the last budget contained a $5.5 billion cut in social programs, a large part in unemployment funds; is that a social measure, is that what the Liberal government intends to do for the neediest in our society? The major argument used to request further consultations is that we do not want to target the neediest.

Behind the grand speeches, there are barbaric measures, unprecedented measures, backward measures, measures that would be among the most backward taken by finance ministers for many years. Even the Conservatives did not dare make such drastic cuts in social programs. Yet, as the Auditor General pointed out, there is no analysis of the consequences of such cuts, we do not know the relationship between unemployment insurance and welfare, but supposedly we are doing a review of social programs even without proper information.

We are not the ones who said so, although we have in the past. The Auditor General himself reminded us last week that this government works the wrong way round; without any information at all, totally in the dark, it makes decisions that go against the poorest, all the while making grand speeches. Such behaviour is a disgrace.

Since the past gives us a good idea of what the future will look like, and since the Liberal government is trying to shorten the period of time for public debate on various measures relating to taxation, expenditures, issues concerning Quebecers and Canadians, since the past gives a good idea of what the future will be and since we are faced with this disgraceful shortening of democratic debate, I would remind you that since it has been in office this government has been proposing, in an acrimonious

and cynical way, projects with a view to reducing social programs or aimed at students, middle income people and the poor.

The government sends out trial balloons, not in a disinterested way but because this is part of the hidden agenda of the Minister of Finance and the Minister of Human Resources Development. For instance, when the government talks about taxing RRSPs, it is not out of the blue. The government, the Minister of Finance already intend to cut and tax RRSPs.

When they talk about reforming transfers to post–secondary education under CAP, the Canada Assistance Plan, and other transfers to provinces and send out trial balloons or make little suggestions in the four or five scenarios contained in the report of the minister responsible for the development of human resources, it is not by chance. It is because it is part of the federal government's overall plan to address the deficit problem, to deal with the problem of its indebtedness we all recognize by going after students, the provinces, with its usual way of transfering the burden to the provinces and shifting the deficit and debt problems onto the most deprived.

• (1135)

Members of the Liberal Party of Canada are counting on economic growth to improve somewhat the public finance situation, not because they believe there will be economic growth, but because they are unable to take any responsibility. This government has not taken its responsibilities since coming to office. It is so irresponsible that it claims that with the savings it made this year—more than $2 billion in unemployment insurance—the deficit for the current fiscal year is $39 billion when it is in fact over $42 billion.

It is unacceptable to cut into the unemployment insurance fund, to which the federal government no longer contributes, and to use the savings they made this year to reduce the deficit. It is a way for the Minister of Finance to improve his image, to look like a good manager, even though he did nothing to bring public finances back under control. He did nothing to close loopholes in the Canadian tax system—something he should have done long ago—, to correct long–time injustices that he too denounced when he was in the opposition.

This government is not serious in its endeavours and does not inspire confidence, especially since it is only managing the downsizing of a crippled system. On our side, the most blatant sign of that remains the closing down of the Saint–Jean military college. There is talk about cynicism and acrimony. For me it is a real symbol, more than a symbol right now, especially when we see the Minister of Intergovernmental Affairs wearing the button denouncing the college's closure, as the Leader of the Opposition noted over the week–end.

Such behaviour is scandalous and shows a cynical and acrimonious attitude. It is also disinformation since this minister is himself responsible for closing the Saint–Jean military college. Such disinformation and cynicism are typical of this government's general attitude, particularly with regard to the important issue of Canadian public finances.

This is intolerable, especially since the Liberal Party of Canada used to advocate transparency, social justice and fairness when it was in opposition. Liberal members used to describe the Conservatives as almost extreme rightists, but they are even worse now that they are in power.

Much needs to be done, if we look at the growth of government expenditures as well as the public debt crisis situation in Canada, with growing deficits, year after year, and a growing national debt. We did not wait two months after the finance minister's testimony before the finance committee to come up with suggestions to put some order in public finances. We were upfront. We made suggestions in front of the Minister of Finance, after he had made his statement and tabled his two books, the colour of which I cannot remember. There has been books of so many different colours tabled this past year, Mr. Speaker, that we loose track.

Unlike our colleagues, we did not wait two months to suggest, first of all, that the Liberal government do the responsible thing and take steps to recover—at the time, this is what we were suggesting two months ago—some $6 billion in unpaid taxes.

• (1140)

In fact, this first suggestion we had made to the Minister of Finance when he testified before the finance committee was reflected in the Auditor General's report tabled last week. But the Auditor General does not talk about $6 billion, as we had estimated, but over $8 billion in unpaid taxes, a quite substantial amount that taxpayers in Quebec and Canada owe, on average, to the federal Treasury in personal income tax, profits tax and goods and services tax as well, the famous GST, which is apparently the most commonly abhorred tax from coast to coast.

Two months ago we suggested to the Minister of Finance, and to the Minister of National Revenue also take the necessary steps, departing from their usual laissez–faire policy, to recover these $6 billion which became $8 billion following the recent tabling of the Auditor General's report. What did they do? Nothing.

We also suggested to the Minister of Finance at the time to ensure that the federal government withdraw from any provincial jurisdiction, in other words, that it mind its own business, in

view of the assignment of jurisdiction under the Canadian Constitution and many interpretations that have been given these past few decades.

We said then, and we repeat it now, overlap, duplication and instances of federal interference, which are increasingly numerous and even more centralizing with a Liberal government, amount to, by our estimation, approximately $3 billion per year. That is money! But of course when you ask senior department officials to see where the federal government is meddling needlessly and ineffectively in fields of provincial jurisdiction, they are both judge and party to the case. They will not shoot themselves in the foot. These senior officials who are in control will not reduce their staff, their power, their interference or their budget. Over the years and again recently, the Auditor General has found empirical evidence of duplication and overlap between the two levels of government, but the Liberal government does not want to face up to its responsibilities.

That is the second suggestion we made to the Minister of Finance about a month and a half or two months ago. We suggested that he not reduce corporate subsidies a little, as we have heard fairly often on both sides of the House, but that he eliminate them. Companies receive $3.3 billion a year in subsidies. Here, we are not talking about subsidies for regional development which have the merit of reducing regional disparities in some disadvantaged regions; instead, we are talking about direct corporate subsidies, which more often involve patronage or paying off the party's friends rather than useful subsidies.

An hon. member: Contributions.

Mr. Loubier: I would not go that far, but in any case it has not been proven that these subsidies are effective, provide benefits and have an impact on the competitiveness of businesses. On the contrary, when you subsidize a company in a particular industry, the subsidies allocated under this $3.3 billion are unfair to the others who cannot benefit from them. And they still want to cut spending on the backs of the most disadvantaged people but do not even mention eliminating these $3.3 billion in corporate subsidies.

Do you think that is right? Is it right to cut unemployment insurance, welfare and post–secondary education while the finance committee and others still continue to leave these $3.3 billion in direct corporate subsidies? That was our third suggestion then to the Minister of Finance.

We also suggested that the Liberal government withdraw immediately from the Hibernia project, and we are no longer the only ones saying so. Almost everywhere, people are speaking out against the continuing waste which has already swallowed up $3 billion in direct and indirect spending, loan guarantees and so on from the federal government. This year we have been told about an additional $250 million for a project that will never make a profit, that relies on an increase in global oil prices, when all forecasts to this day call for an even greater reduction in the price of a barrel of oil than we are now experiencing.

• (1145)

Why do they insist on the federal government, Quebec, Ontario and other Canadian provinces getting involved in a project that will never be profitable? And if it is profitable, why is the private sector not doing all the investing? Why must the federal government continue to invest hundreds of millions of dollars every year if the project is supposedly profitable? The 1960s and 1970s are over. Let us look at the state of government finances. Even my Liberal colleague, the chairman of the finance committee, mentioned earlier that government finances are in a state of crisis.

Despite the serious problems, they continue to spend money on this project, perhaps for political considerations, thus contradicting the Prime Minister's position during the vote on the Hibernia project. It is impossible to understand. If this is not political expediency, I wonder what it is. That was our fourth suggestion to the Minister of Finance, which has not been acted on to this day.

We also suggested to the finance minister that $1.6 billion be cut from the National Defence budget in response to last year's request by the official opposition that this budget be slashed by 25 per cent. Again, this suggestion was not followed up.

We also asked the finance minister to reduce the government's operating expenditures by tackling mismanagement and widespread waste. There are many examples of waste and inefficiency, starting with the Auditor General's last report. I will give you just one because I do not want to take up too much time, even if I have unlimited time for this debate. The Department of National Defence is one example that has been popular with all of us for a while, especially since last week, when the Auditor General pointed out cases of gross mismanagement and inefficiency. They always boast that things have been put into order at the Department of National Defence in the recent past, but after reading the Auditor General's last report, we see that this department is a total mess, that it has become a symbol of public affairs mismanagement.

I will quote just a few passages to illustrate what I told you. The Auditor General's report outlines several cases of waste. It says among other things that real property mismanagement at DND costs $100 million a year. Real property mismanagement alone costs $100 million; they throw away all that money while maintaining that the only way to reduce waste and increase

efficiency in public finance management is to cut social programs.

The report also points to waste in the F–18 performance evaluation program. We are told that the program might be ready in 2003, or 20 years after its implementation, and that the automation of the Canadian military police records will have taken 26 years, if the goal of completing the project in the year 2000 is achieved. Imagine, 20 years for the F–18 performance evaluation program, when you think that, after 20 years, an F–18 jet is considered obsolete. And 26 years to automate the Canadian military police records. In my short career, I never thought such delays were possible.

In his report, the Auditor General also says about National Defence that the army, air force and navy have each developed their own information, command and control systems which have little interoperability. Imagine, our national defence is comprised of three forces that should normally interact through office automation and information technologies and systems, but these systems are virtually incompatible. We are told that the three forces have very limited interoperability.

• (1150)

Given the situation in National Defence, one can guess what goes on elsewhere. We have a serious problem because it involves hundreds of millions, or billions of dollars. We read that: "There are plans for future information technology projects with projected costs of $1.2 billion". Mr. Speaker, implementing these projects will cost $1.2 billion, but they are not supported by adequate cost estimates.

In other words, we are spending $1.2 billion to implement technology projects, new technologies, but we have no serious study on the value, efficiency and usefulness of these projects for the future of the three forces of National Defence.

Here is another example, which again concerns the Department of National Defence. The Auditor General writes: "The Department did not have an adequate system in place to assess the cost–reduction potential of information technology projects or to weigh the benefits of cost reduction against other priorities. As a result, the Department has not benefited from at least $700 million in possible savings". Just think! We are talking about hundreds of millions, even billions. But it does not seem to matter. The government prefers to cut spending by targeting the poor and let outrageous situations like that go on.

This is incredible. I am flabbergasted. I was even more outraged last week, when the Auditor General tabled his report because, based on what the other side had been telling us over the last year, we thought that public finances had at least improved somewhat. This is not the case however.

Some measures need to be taken regarding taxation. Until the Liberal government takes concrete action, we will not stop repeating that it must end the unacceptable situation created by family trusts. The government must stop losing hundreds of millions every year by allowing very rich Canadian families—not middle income families, not fairly rich families, but very rich families—to use family trusts to defer for up to 80 years taxes on capital gains.

These very rich families do not use family trusts as an investment tool for future generations, or to help sick or handicapped children and relatives to be financially secure: They use these trusts as a powerful tax planning device. According to some tax experts with an excellent reputation in Canada, such as Sydney Goldstein and Neil Brooks, to whom the Liberals used to listen when they formed the opposition but no longer do so now that they are in office, it is outrageous to maintain these trusts for very rich Canadian families.

They suggest that, through special studies conducted by Statistics Canada, or through data from Revenue Canada or major corporations managing the assets of these family trusts, such as Canada Trust, which is a major contributor to the Liberal Party, the government could obtain sufficient information to make an annual estimate of what family trusts set up for the benefit of very rich families really costs Quebecers and Canadian taxpayers.

During the hearings of the special committee set up to examine family trusts, as openly as possible, as the Minister of Finance put it, the Official Opposition asked Revenue Canada to provide these data. That was two months ago and we are still waiting. Our request has not even been acknowledged. If this is what is meant by transparency, we have a problem, because Liberals and the Official Opposition obviously do not have the same definition of transparency.

• (1155)

Mr. Farber, from the Department of Finance, also told the finance committee that a legislative authority would be needed to collect this information using a tax slip. We have submitted such a request. And again we are still waiting for an answer. Not only did we not get an answer, but I can tell you that, even though they talk about transparency and their will to correct all fiscal inequities, we have not had any co–operation from the Liberal Party or the senior officials of both the Department of Finance and the Department of Revenue. Could it be that these senior officials have been ordered by their superiors not to say anything and not to take any step to collect data on family trusts?

We could also mention all the measures needed to correct the tax situation, including the tax conventions signed, as we said before, between Canada and countries with many tax loopholes. Despite the steps taken by the Minister of Finance in his last budget, a recently released study, carried out, I believe, by Samson & Bélair, says that, in spite of everything, all the government's attempts and all the measures included in the last budget, there are still hundreds of millions of dollars being exchanged between Canadian businesses and their foreign subsidiaries located in tax havens and losses incurred by the subsidiaries being reported in Canada for tax deduction purposes. According to the Auditor General and this Samson &

Bélair study, it is estimated that hundreds of millions of tax dollars are lost this way.

I have a quote here that I would like to read to my hon. colleagues in English, if they will excuse my horrible accent. It says: "The new rules have some merit", meaning the measures taken by the Minister of Finance. "They will most certainly generate ambiguity and uncertainty. Unfortunately, the 1994 proposal did not bring the changes we were all hoping to see".

In other words, the action taken by the finance minister is not enough to prevent tax treaties with countries where corporate tax rates are lower than here, in Canada, countries such as Barbados, Cyprus, Malta and Papua New Guinea, for example.

Because of these tax treaties, businesses, mostly very large corporations, do not pay their fair share of taxes here, in Canada, and we deliberately allow some of these corporations to forego their tax responsibility and to benefit from these tax loopholes, these tax havens, thanks to which they can legally save hundreds of millions of dollars in federal taxes.

We cannot afford these tax conventions any more, especially with countries that are well–known tax havens and where tax loopholes are legion. This is utterly unfair when everyone else is being asked to make sacrifices, from middle–income families to the less–privileged, everyone except these large corporations, which take advantage of the Canadian tax loopholes and the tax breaks deliberately included in the tax treaties signed by Canada and these tax havens.

There is also the whole question of corporate taxes. I tell you this should be examined carefully.

• (1200)

I submit that the recent data from Statistics Canada on the trend of corporate versus individual contributions to the tax base reveal some clear facts. Remember that these data are expressed in real terms, which means that they take 1986 as the reference year. These are real data which take inflation into account. Thus, in 1950, Canadian corporations contributed $3.2 billion to the federal and provincial treasuries. The same data, with 1986 being equal to 100, reveal that in 1992, Canadian corporations contributed $7.4 billion. But the $3.3 billion in subsidies to businesses I was taking about earlier must be deducted from those $7.4 billion.

So, when those $7.4 billion actually paid by corporations to the federal and provincial treasuries are reduced by the $3.3 billion in subsidies, we have exactly the same amount as in 1950. The tax burden of companies did not increase in real terms but, for individuals, that burden went up from $3.3 billion to $87.6 billion.

So there is a problem, and I can tell you that it is probably related to the tax breaks used by very large businesses. The Ontario Tax Equity Committee pointed out in 1990 that Canada's large businesses can use about 60 tax breaks that allow them not to pay their fair share of federal taxes even though we could require them to do so. This has been going on since 1950. And I am not talking here about very small businesses or small and medium size businesses, which do their job. If you look at the data, you will see that they contribute, as good corporate citizens do, to the federal and provincial treasuries. I am not talking about businesses in my area.

Last week, I was talking to the owner of Grégoire & Fils, a business that does research and development work in the farm equipment sector in my riding. I am not talking about his business. I am not talking either about Dutailier Inc. and Lacasse, two businesses that export furniture outside the country without any grants. I am not talking about these small and medium size businesses that create hundreds and even thousands of jobs, because that is what small and medium size businesses do, they create thousands of jobs.

I am not talking about these businesses that perform their tax duties and contribute to economic growth, job creation and regional development. I am not talking either about a businessman like my friend Jean–Marc, from the south shore, who has to face very fierce competition from large multinationals in the steel equipment sector. He creates 43 jobs and pays his fair share of taxes. I am referring instead to very large companies who take advantage of measures that are legal, but are sometimes borderline measures, to prosper at the expense of a deteriorating Canadian fiscal situation, and to companies that use legal measures to avoid paying their share of taxes to federal and provincial governments.

For a year now, I have been examining the Canadian tax system more seriously and specifically than previously, and I find it is distorted. It is so distorted that last week, my friend Léo–Paul Lauzon, a well–known tax expert in Quebec, sent me a newspaper clipping he found in *La Presse*, I believe. I know I cannot show that clipping, but it was found in classified ads and says in big print: "Tax losses for sale". The ad reads: "Our client, a cosmetics distributor with significant tax losses and undervalued assets, is looking for a buyer who could use those tax losses. Confidentiality guaranteed. Please, contact so and so—I will not mention the name of the agency—number so and so". In other words, our system is so distorted that we can now sell tax losses. Tax losses are sold like shoes, eggs or chicken. They are sold to companies that want to reduce their annual income.

• (1205)

Mr. Chrétien (Frontenac): Shame.

Mr. Loubier: Is that right?

Mr. Chrétien (Frontenac): Certainly not.

Mr. Loubier: It is not, but I do not sense across the way any desire to deal with loopholes in the corporate tax system. They are not even willing to examine the corporate tax system. Every time the Official Opposition suggested such an examination, even during the election campaign, it never got an answer. We tried again recently in the finance committee, but we did not get any answer. In that regard, the Liberal government members sitting on the finance committee can rely on the complicity of the Reform members because they do not want the corporate taxation to be examined either. It is serious when you think that some people even refuse to look at the corporate taxation. We are not suggesting any cuts, but simply to look at the problem in order to perhaps confirm what has been rumoured for several years and confirm also some warnings put forward by the General Auditor of Canada as well as some analyses made by tax experts. We are now completely fed up with this situation.

It is obvious, and I stress, obvious, that we have to find ways to improve the management of public finance and we were the first to realize that the problem is very serious. While the Minister of Finance spoke only in terms of problems with public finance, we used a much stronger term. We spoke of a crisis. Indeed we recognized even more than the finance minister himself that if things keep going on as they are now, the situation will become impossible.

However, what has the Liberal government been doing for a year now to help remedy this situation? In relation to what we and others suggested the government should do to stabilize public finance, what else did it do but take on unemployed workers and welfare recipients, senior citizens and now students with the reform proposals put forward by the Minister of Human Resources Development, and middle income families with all the trial balloons sent up left and right by the Minister of Finance, his officials or his Secretary of State? What else did it do but take on poor families? Every week, I meet some of them in my riding. Families are getting poorer and poorer.

In fact, in this International Year of the Family, families are getting poorer and more desperate because they see that, in spite of all their fine speeches, the fine election campaign the Liberals conducted last year, the compassion they said they felt for the most disadvantaged, they are even more extremist, more reactionary that the Conservatives were at times. They are even more extremist than what they denounced as Conservative policies when they were in the opposition.

Mr. Chrétien (Frontenac): That is double talk.

Mr. Loubier: It is double talk, as my colleague puts it. But I would even say that it is close to something like calumny.

Speaking of poverty, I would tell you that for the last 15 years, the evolution of poverty in Quebec and Canada is a cause for concern. The poor in Quebec and Canada today do not deserve the treatment they have been subjected to this past year.

• (1210)

I would like to mention briefly certain statistics on trends in poverty since 1973 to show you how badly the situation has deteriorated and the need to put in place real economic development policies, real job development policies, real labour training and regional development policies in order to stimulate Quebec's and Canada's economy. We do not need infrastructure programs which are subject to patronage and create only 45,000 part–time temporary jobs when we need close to 800,000 jobs to get back to the level of the early 1990s; we need real measures.

Since 1973, the number of poor families in Canada has increased by 41 per cent. During the same period, the number of poor people living alone jumped a significant 79 per cent. I am referring here to a study published by Mr. David Ross three weeks ago and which updates data on poverty in this country. If you want more details, and if my Liberal colleagues want to know that they are in fact deteriorating a situation which is already catastrophic for the poor families of Canada, I will gladly give you a copy of that study.

It says that the rapid growth of poverty among young families in Canada is one of the most disturbing trends in the area of family poverty. Not only are people getting poorer, but an increasing number of young people are in this situation. It is young families who are getting poorer. We had never seen that before.

Between 1981 and 1991, the poverty rate of families with parents 25 years old or less has almost doubled, increasing from 21.7 per cent to 40 per cent. This means that the number of young families living in poverty has nearly doubled. That is how we prepare young people, that is how we give them hope for the future, by making them poorer at a much higher pace than that experienced by their elders.

Another piece of information I thought could help this government become aware of the problem is that, in 1991, the number of poor dependent children under 18 years of age was close to 1.8 million. The poverty rate for single mothers is 52.1 per cent in Canada. It is interesting to know these statistics. Women who are single parents are the ones who suffer the most from inequities in terms of income and services, both in Quebec and in Canada. Compare that with Sweden, for example, where the poverty rate among single mothers is 6 per cent.

We used to say that education was to key to a good income. Well, let me mention some important data relating to graduates. Although people have diplomas, and it is a fact there is less poverty among people who are educated and who are flexible as a result of that education, and of course an education is always enriching, but it is not as enriching, in the literal sense, as it used to be. In 1981, 13.5 per cent of graduates of an educational institution, were poor. Today, more than 30 per cent are in that category.

I wanted to mention these figures in the House because they profoundly disturbed me. I thought, and that is what we learnt at school, at college or university, that thanks to post–manufacturing economies and the new global economy, and with the development of the leisure society, modern, industrialized societies would, over time, become prosperous. People said that in the early seventies. Today, according to the update published by Mr. Ross on poverty figures in Canada, the exact opposite has occurred.

It is a sign that we will need a major turnaround in the Canadian economy. This government will have to act responsibly, not by hitting at those who have trouble making ends meet, but by doing what we strongly suggested it should do, which is to carry out a thorough reform of the tax system and cut spending of the kind we pointed out earlier and have been pointing out to the Finance Minister from the outset, and especially since he appeared before the Standing Committee on Finance. But we want this government to stop coming down on people who do not deserve that kind of treatment.

• (1215)

In conclusion, I want to say that we will not be a party to the trivializing of democratic debate that was reflected in the motion presented this morning. We will not be a party to any measures that may appear in the finance committee's report, the majority report by the Liberal members of the finance committee. I have the impression, and I have been saying this for some time, that the government decided long ago what measures it would take to improve its finances and to reach the objective set by the Minister of Finance, and I am referring to a deficit that is 3 per cent of GDP in 1996–97. Furthermore, these measures are so appalling and entirely in line with the approach of the last budget of the Minister of Finance, in other words, a well–organized attack against the unemployed, senior citizens, welfare recipients and students, that the government is ashamed to put them before the House on December 2 as planned, and that on the other side of the House, they are trying to reduce the number of days provided to debate these suggestions.

Again, we will not be a party to a debate the Liberals do not want, a debate in which their promises will come back to haunt them. We will not be a party to what is actually nothing but a masquerade, to these endless rounds of consultations, because this government consults right and left but only retains what suits its purpose.

We saw this with the last budget, when the Minister of Finance approved a suggestion to make cuts in the Unemployment Insurance Fund, although there were thousands of suggestions that said not to do that. So much for consultation.

For all the reasons I just mentioned, the official opposition will vote against the motion presented by the Liberal government, and we will do so proudly, with our heads held high, because our aim is to defend the interests of Quebecers and Canadians, as we have done since the very beginning.

[*English*]

The Acting Speaker (Mr. Kilger): I remind the House that the length of speeches pursuant to Standing Order 43 will now be 20–minute maximum interventions subject to 10–minute question and comment periods.

Of course sometimes there is a practice where parties or members wish to split their time. I would simply ask members to indicate to the Chair if and when that should occur. Otherwise, members will be recognized for a 20–minute intervention and 10 minutes of questions or comments.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I am interested in many of the comments which were just made by the Bloc member who sits on the finance committee. I am hesitant to dignify some of his comments with my own because of what his leader said yesterday. I wrote down the quote.

I saw his leader say on television that the Bloc are "a superficial event in the political landscape". That out of the mouth of his leader gives us an idea of the commitment of the Bloc to this whole budgetary process. When the member uses the terms barbaric measures and retrograde and he uses other words outside of the House that are not particularly helpful or constructive to the debate I think it does a disservice to something that is so desperately serious for this nation of Canada.

He did make a comment in his long and rambling speech about the fact that even the Conservatives did not apply such cutbacks. Well he is right and that is exactly why we are in the position we are right now. The Conservatives did not have the courage to cut back the tremendous debt that was left to them by the Liberals.

We thought $180 billion left over by the Liberals from the last time they were in power was a terrible debt. The Conservatives did not have the courage to do the cutting. As a consequence this country is now faced with a debt of over one–half trillion dollars.

• (1220)

However I just cannot leave alone the comment the member made that somehow there are difficulties with numbers. I have no idea where in the world he would be able to say that the accounts receivable to national revenue have suddenly gone from $6 billion to $8 billion in the Auditor General's report. That is not factually accurate.

If the member has taken the time to read presumably the French version of the Auditor General's report, I am assuming he is referring to the reference made by the Auditor General to the fact that some of the accounts receivable are getting on to being two years old. As they form part of the $6 billion his concern was that they were not collectable.

It probably falls much in line with the member's constant going on in committee about the fact that there is an average of $42 million in each and every family trust. He just did not take the time in committee to listen and understand that the report he was referring said that the average assets in the firms reporting were $42 million. It was simply a quantifier in order to determine the type of firms that were replying to the survey. As a consequence the Bloc has been telling us, telling us and telling us that there is an average of $42 million in the family trusts.

It is not just the Bloc. The member for Gander—Grand Falls also feeds into some of these misconceptions that there are these tax loopholes and tax havens and tells us about all these millionaires who are collecting UI. For many Canadians they want an easy way out. Don't we all? Many Canadians are looking for some justification for not making the cutbacks. All of us as politicians have to be very careful. We must make sure what we are saying is factually accurate and that it does not feed misconceptions.

I challenge the Bloc member on his comment that direct subsidies to the business sector of $3.3 billion somehow do not include the subsidies going to business through things like ACOA, western diversification and the funds going through to Quebec. He seems to have classified these as being direct subsidies to the business sector.

The bottom line is I look forward to debating with people who will take the time to read the numbers and if they do not clearly understand the numbers will take the time to receive advice. Then we can share our opinions based on fact instead of some of these things that are simply made up.

In the 20 minutes allotted to me to speak to this issue the people of Canada should know that we will go $1.4 million further into debt. Every day Canada spends in the neighbourhood of about $460 million. Of that $460 million we have to go to the marketplace and secure $110 million. It works down to $1,700 per second that we are borrowing.

Why is that important? It is important because even under the Liberal plan we will be going further into debt by $25 billion every year. Even under that anemic plan Canada will slip a further $100 billion into debt in the time the Liberals are in office. That is absolutely monumental. We do not know what the interest rates will be but at a 7 to 10 per cent interest rate on that $100 billion we will be paying $7 billion to $10 billion extra in interest at the end of their administration.

• (1225)

That number is very important when we consider that the federal government transfers $2.2 billion to the provinces for education. Let us understand and compare that $7 billion we are going to go further into debt to the $2.2 billion we are presently providing for education.

Before I get into the Reform proposals I will make one more comment. Of the $110 million we are going to go further into debt today, approximately $45 million of that will be borrowed from foreign markets in this 24 hour period. That means one year from now because we are going $110 million further into debt we are going to be streaming $3 million more out of Canada to foreign capital markets.

What could we do with $3 million? There are people in my constituency around Cranbrook who want a CAT scan machine. It will cost in the neighbourhood of $100,000 and the funding for staff and training perhaps will take the same amount of money.

However we are prepared to let $3 million for this one 24–hour period on interest leave the country. If we want to talk about barbaric and retrograde, we can apply those terms to what we are doing in the intergenerational transfer of debt to our children, our grandchildren and our great grandchildren.

It is easy to apply labels to certain aspects of this whole process which is unfortunate. As the committee chairman so aptly said in his presentation earlier, there is absolute commitment. I believe there is commitment from the Liberals, as I am sure there is from the Bloc and I confirm the Reform Party is committed that the people who have the least ability to look after themselves must be looked after. They must be protected.

Therefore, why is the Reform Party recommending that we go to zero instead of going to 3 per cent or approximately $25 billion? Precisely for the reasons indicated by the chairman. We are currently in a very strong period of economic growth. It has been very clearly illustrated that the difficulty and the reason we are having problems in getting any real job recovery along with the economic recovery is that people are being taxed out of business, taxed out of existence.

There are some differences of opinion between us and the Liberals. In making our presentation to the Commons committee it was interesting that we managed to flush out what some of those differences were. In the judgment of the Reform Party, there must be a very serious look at the whole issue of taxation and how it is done to make sure that inequities are ironed out, that there is more fairness and that any loopholes are corrected. In spite of that and as a matter of principle we believe no more tax dollars are available from Canadians.

It was interesting that the member for St. Paul's said: "Your comments on taxation are rather anemic. There is a bit of a throw away line about not objecting to the principles eliminating inequities in the existing tax system. We have heard much testimony. Did you hear nothing that piqued your interest, that led you to say yes, there is something that should be examined on the tax expenditure side for instance? Was there nothing that caught your fancy?"

• (1230)

In a second intervention he said: "I am in rare agreement with the member from the Bloc then perhaps because the vision that you present is a vision that is far different than I have for this country and the role we have to each other as Canadians".

The vision of the Reform Party in terms of its responsibility to the country is to get the government off the backs of Canadians and once and for all straighten out the situation so that it is no longer grabbing, grabbing and grabbing capital from a very weak and anemic capital market. It is absolutely accurate and correct to say that taxation is simply the confiscation of working capital; that is all it is. Taxation is simply the confiscation of wealth.

If we take more wealth, more capital, out of either businesses or the hands of ordinary people they will have less to put back into generating more activity in the economy. I underscore then that we believe there should be no net increase in taxation.

We established our program on five basic principles. The first one is that the people at the top of government must be the first to make significant and visible sacrifices.

I was asked by a member of the House why we spent last Tuesday, our opposition day, on a motion to get the pensions of MPs into line with ordinary pension plans available to all other Canadians. It was really interesting, by the way, because every one in the Chamber voted against the motion to get the pensions of MPs into line with ordinary citizens, save the 41 Reform MPs who initiated the motion. That pension plan must be reformed as of a year ago.

Also there should be implementation of across the board budgetary restrictions of 15 per cent to high level government institutions. We saw this last week the appointment of people to the Senate, the appointment of the Governor General, and therefore the traipsing out of what these people do in their public lives. People have started to take a look at that, have started to focus on that and ask themselves: "Just a second, isn't this the same government that is asking me to cut back?"

Next is eliminating excessive travel of federal officials and reducing the number of ministers of state and associate ministers. People are looking for leadership, but unfortunately for many political commentators they seem to leave it at that as though somehow it might be a solution to the problem. It is a solution to the problem only in the respect that people are looking for forceful and aggressive leadership. They are looking for us to take a step forward and to take the cutbacks necessary ourselves.

I have already indicated that funding must be maintained for high priority items. There are two high priority items in my mind. First is enforcement particularly with the departments of justice and the solicitor general. Second, every effort must be made to ensure that those who are least capable are able to be provided for. Third, there must be a cutback and elimination of the duplication of efforts among respective departments.

There is also something very interesting here. Part of the problem is that we do not seem to have an understanding on the part of many people, many reporters and many commentators in particular in the news media. We certainly do not have an understanding on the part of many people on the back benches of the Liberal Party of the aspect that there must be substantial cutbacks.

I noticed in the Ottawa *Citizen* over the weekend an article written about a program put on by CTV called "Due South". It was interesting. It asked people if they had seen the program. Some people had seen it and hated it; other people had seen it and loved it. The point is that it was done without tax dollars.

• (1235)

The commentator was basically asking why we should be celebrating the great commercial success. Why should we be celebrating that we have people employed in Toronto in the film industry putting the thing together? Why should we be celebrating that it is a commercial success because it has 20 editions on the CBS network? Why should we not be celebrating the programs that are truly Canadian rather than just commercially viable programs?

I will tell that person why. In this 20 minutes we will be going $1.4 million further into debt. That is why we must take steps to ensure that things like the film industry are privatized. We must reduce subsidies to national museums and galleries as worthy as they may be. If you haven't got it, you shouldn't be spending it. That is exactly what has been going on. There are $450 million available there.

I would like to make another comment about the Department of National Defence. The member of the Bloc was raising the issue of the Department of National Defence. My own personal position is: for people to risk their lives, whether it is in helicopters off Labrador, in the former Yugoslavia or on a barricade wherever it may be in Canada, do we expect them to be given the tools and the training? If they are putting their lives on the line they must be properly supported.

We combined the spending cuts that had already been put forward for the Department of National Defence, together with the $300 million that had been recommended by the joint committee and came up with a figure of $1 billion. I say to the House as an individual that if we want to cut more from the Department of National Defence the first thing we must do is establish our priorities, our objectives for national defence. I for one will never stand for anyone making arbitrary cuts without first determining there will be a rollback in the services the Department of National Defence will perform.

We believe a dollar in the hands of a taxpayer is more productive than in the hands of government. The finance minister said very specifically that subsidies build dependence. I do not know whether members happened to see the front page of the *Financial Times* a couple of weeks ago. It showed that for every dollar a person in British Columbia puts into UI he or she gets 70 cents or whatever out. Whereas for every dollar a person in Newfoundland puts in he or she gets something like $3.70 out. Even within UI there is a transfer of wealth. These things must be looked at. Am I suggesting this should not be? I am simply raising the issue that at the moment there are transfers of wealth that build dependency.

We have specifically said, for example, that we should reduce the subsidy to the Canadian Broadcasting Corporation by $365 million. It was interesting on CTV over the weekend that there was some speculation the government was also considering that. It is a simple thing to do. Mr. Speaker, you may be aware of the fact that my tax dollars, the tax dollars of Canadians and the tax dollars of CTV were used by the CBC to outbid CTV on the rights to the Olympic games. That was absolutely bizarre.

All sorts of cuts must be made, but the bottom line to the exercise is that there are no simple answers. It is up to all of us as politicians and to the news media to take on the responsibility of acquainting the people of Canada with the fact that there is no easy way. It is going to be tough but there is a light at the end of the tunnel if we are prepared to get aggressive on the debt.

• (1240)

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, when I hear Reform members making comments, I always ask myself whether they are aware that the party in power is not the Bloc Quebecois but the Liberal Party of Canada. They are always directing their attacks at the Bloc Quebecois; I do not know why, but I find it a little strange.

I also noted some insults that were directed at my party, at the work that each member of the Bloc Quebecois is doing and the seriousness with which we take our responsibilities as the Official Opposition, and I was deeply offended. Since the beginning, we have been doing what is expected of us in Quebec, and I would tell you, even in Canada in some respects, because some of our Canadian friends from the Maritimes, and even from western Canada and Ontario, speak very favourably about the work that my colleagues are doing as members of the official Opposition in this House. The same cannot be said about the Reformers. Even in western Canada, they are starting to loose ground, but that is their problem.

With all due respect for my colleague, who is also on the finance committee, I would have a question for him. If the Reform Party is so serious in its offensive, in its suggestions for improving Canadian public finance, why does it leave aside a whole section of taxation, a whole section of grants, too? Why is corporate taxation excluded? Why does the Reform Party refuse to even discuss corporate income taxes?

Why is it so dead set against it? Is it a definite mind set? Is it dogmatic? Why does it reject the review of tax conventions signed with tax havens, when the Auditor General, who is objective, and even Samson Bélair suggest that hundreds of millions are lost because of these infamous conventions which are perfectly legal but, in my opinion, totally immoral, considering the present state of public finances?

How is it that my colleagues in the Reform Party do not want to review this aspect of taxation? Why do they refuse to budge when we mention family trusts?

Even in the subcommittee set up by the finance committee to examine family trusts, they ridiculed the review of this question, something requested by the Minister of Finance. Why do they keep such a closed mind on discussing family trusts and such an open mind on cutting unemployment insurance, the Canada Assistance Plan, federal transfer payments for post-secondary education, the budget of the Canadian Broadcasting Corporation—a stupid measure to cut 30 per cent, one third of the budget, suggested last week—, and all the measures taken at the international level?

Why is the Reform Party so opposed to a serious review of this issue? If they are really serious, they should quit being so dogmatic every time we suggest something which might impact on companies, on very rich Canadians and on certain members of their own party.

[*English*]

Mr. Abbott: Mr. Speaker, taxation, as I have indicated, very simply is the confiscation of wealth. If you will pardon the term said in humour, it is legal robbery. In other words what basically goes on is that the people who come to this Chamber make this grab legal by virtue of the fact that they are entitled by Canadians to do so. It does not make any difference. The taxes that are taken from individuals and the taxes that are taken from business in a Robin Hood style are then redistributed.

• (1245)

There are some services, particularly in the area of protection and in the area of the environment—

Mr. Mills (Broadview—Greenwood): What about health care?

Mr. Abbott: Health care is a good example. There are some excellent examples of the intelligent use of these taxation dollars but nonetheless they are confiscated from businesses and from individuals. We believe, and I state again, a dollar in the hands of the taxpayer is more productive than in the hands of the government.

I would like to take the member up on his comment once again about family trusts. There is somehow a myth which he and his colleagues have bought into that there are countless billions of dollars there. I use that $42 million per family trust figure as an example. When they ask for quantification to say how many dollars are in family trusts, and then turn around and say because Revenue Canada, because the Department of Finance will not give us these numbers that somehow they are trying to hide these numbers from us, the process truly is not open.

The only way that we could quantify how many dollars are in family trusts is if we in this Chamber made the determination that we were going to tax wealth. We tax income, not wealth. To accurately identify how many dollars are in family trusts, because family trusts are a part of the entire relationship between people and companies, we would have to quantify how many dollars perhaps the Speaker is worth, perhaps that I am worth, perhaps that the member is worth. Then we would be able to determine on the basis of this wealth that maybe we will tax you 1 per cent of your wealth over $100,000, whatever the number is.

It is a completely erroneous position to take in my judgment that the finance department and the revenue department are somehow surreptitiously or overtly withholding information. The information does not exist, so how can they give it to the committee?

The member said that some of my comments were an attack on the BQ. I guess that is part of my problem because I find some of the comments to be somewhat nonsensical.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, I listened to the Reform member mention the wealth in family trusts and that it would amount to taxing wealth, as if wealth was a concept that applied only to the rich, because we could not care less about the wealth of the poor. Therefore, it is not a problem to tax them, increase their burden, reduce the services provided to them.

My question is this: He knows full well that the Bloc Quebecois has been asking for information on family trusts, that is to say that family trusts should declare their assets, rather than only their revenues. Why is he opposed to the finance minister saying in his next budget: This year, everybody with a family trust will have to declare the assets in the trust. How else can he justify his being opposed to this but to preserve the freedom of those who have family trusts? How could such a measure be catastrophic for these people?

• (1250)

[*English*]

Mr. Abbott: Mr. Speaker, there are basically two aspects to family trusts as there are with anything. There is this aspect of real property, the capital gains portion on real property to which the members keep referring. The other is marketable securities or other assets of that type. I do not really understand. The information does not exist. It is that simple.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I would like to begin by picking up on some of the comments that other members have made in this debate so far, that we are dealing with a very complex issue.

I refer to a paper that was delivered at the University of Toronto last August 8 and 9 at the Institute for Policy Analysis. It was delivered by Professor Pierre Fortin from the University of Quebec. The title of this paper was "A Diversified Strategy for Deficit Control: Combining Faster Growth with Fiscal Discipline".

I would like to read a few comments from the abstract of this paper, which I recommend to all members because it deals with the complexity of the challenge before us:

"Under current projections of economic growth and fiscal policy for the next two years, the probability that the federal government will achieve its stated goal of bringing down the fiscal deficit to 3 per cent of GDP by 1996 is almost zero. Four types of changes could improve the odds that the target be achieved: one, faster economic growth; two, a decline in interest rates; three, additional cuts in program spending; four, increases in tax rates.

"It is possible to develop a diversified strategy that would: one, allow the deficit target to be met by 1996; two, achieve continued reduction of debt and deficit beyond that day; three, permit the economy to return to full employment by 1999; four, preserve the gains already made against inflation. That strategy would have lower interest rates, raise the average growth rate of real GDP to 5 per cent per year over the next five years. A nominal freeze on program spending would be imposed in 1995 and 1996 and would be followed by moderate real growth in 1997 to 1999. There would be no increase in the global effective tax rate".

For the largest part the paper exposes the analytical and empirical foundations of this proposed combination of accelerated growth and fiscal discipline. I quote specifically from that paper because I realize that Professor Fortin is a respected economist in this country. I have heard he is someone who from time to time would even give our members in the Bloc Quebecois some advice. It was for that specific reason, aside from his reputation, that I tried to get into his paper.

I believe that all members in the House have really put the right emphasis on the cuts. I do not think anybody watching the debates that are going on around here would question the commitment, the focus or the debate on cuts. We cannot turn on a light around here these days without somebody saying do not do that because we have to save money. The message of working on achieving cuts has been well impregnated into the thought process of this Chamber and of this city.

The other area of tax reform in my mind has not really been put on the front burner to the level it should be, but the real issue for me has to do with faster growth. I believe that is where we as members of Parliament are falling short.

• (1255)

If we are going to meet the challenge of getting our deficit and debt house in order we are going to need growth in the country. We are going to need jobs. We are going to need investment. We are going to need the entrepreneurial spirit recharged.

I believe passionately that we will not achieve the growth that we must achieve if we are going to meet these targeted numbers unless we reform the tax system. The current tax system is no longer trusted by business or by the average person in terms of the personal side. Look on the business side right now. There are 37,000 tax cases before the courts with a burden on the justice system because of the tax act challenges coming from business. Most Canadian recognize that.

There is something else that we as a government have to face. Members have touched on it this morning. We are now competing more than ever for capital around the world. We are in a globally competitive regime for capital. In order to have capital move to our community, move to our country, we have to have a globally competitive tax regime.

We should not look at these other countries that are attracting capital for investment in their communities in a condescending way. We should realize that they are ahead of the game. They are ahead of us. They have realized that point. Today capital can move with the push of a button.

If people who have wealth, capital and are entrepreneurial achievers see that by getting a better tax break by pushing or parking some of their wealth in either the islands, Switzerland or some other part of the world, why would we not expect them to try to do that? We would not want them to just leave their money here after they had worked hard to achieve this wealth when we did not make any effort at reforming our tax system or recognizing that those wealth generators are an important factor in generating jobs and growth in this economy.

The challenge of reducing the deficit and debt is inextricably intertwined with having a tax system that will reverse capital flows. I will try to explain this.

If we have a tax environment that attracts capital from all over the world all of a sudden in our community, in our financial institutions we will have a glut of capital. When we have a glut of capital that means costs will go down. When costs go down the interest rate on serving our debt is going to put a lot less strain on the fiscal framework of our country.

More important, if we have capital in our community that is not expensive, that is readily available, the entrepreneurial spirit which needs access to that capital can go out and do what it does best, take risk and create jobs.

• (1300)

When those jobs are created, once again on that side of the ledger we are going to be putting less pressure on the fiscal framework of this nation.

I believe that we have a challenge here. We have achieved the notion. I would give the Reform Party some credit for pushing this whole subject of cuts almost through the wall, but I really believe that we as a government and as a Chamber now have to put an equal amount of thinking and creativity on how to get some growth going.

One cannot get growth with the current tax system. The current tax system is a disincentive to achievers. It is a disincentive to risk takers. It is a disincentive to the entrepreneurial spirit in our country. That entrepreneurial spirit which is required for taking chances and throwing out ideas that can create jobs needs to be nurtured. We are not doing that with the system that we have today.

The problem when one tries to reform a tax system that has looked after every little interest group in this country is that the political will becomes very fragile. As members know I have been trying, I believe in a constructive way, to reform the tax system of the country over the last five years.

I realize that this may be the last chance in the government's term to reform the tax system. If we do not take on the challenge of comprehensive tax reform in this budget, we will have committed ourselves to a pathway or a direction that will carry us for the term of this government. For me, the next 30 to 45 days is crucial if we are going to address the whole issue of comprehensive tax reform on the personal and corporate side.

As I started to say, the difficulty we are going to have in trying to achieve tax reform is that every interest group in the country has a built–in measure of support in the current tax system.

As many members know, I have been advancing this notion of the single tax system for the last few years, continuing to refine it. Many times Canadians will say: "Why is it that you are having problems in moving this debate forward?" I always say: "First of all, there is a basic tax lethargy in the country. The second thing is that when you go to eliminate the preferences in the tax system, people become very queasy. Their political will does not tend to remain strong".

In the latest proposal that our team has put forward, some of the income deductions that would be eliminated are the following: attendant care expenses; moving expenses; workers' compensation payments; employee home relocation loan deduction; the stock option and shares deduction; the capital gains deduction; the northern residents deduction; forward averaging; employer paid health preplanned premiums; child care expenses; receipt of intercorporate dividends on the major tax credits eliminated.

There is everything related to tuition, education, certain medical, labour sponsored funds, political contributions, investment tax credits, et cetera. There are a lot of preferences that have to be eliminated if we are going to have tax reform in the country.

I believe the tax system is the one instrument that the Government of Canada has that can move the whole spirit of the country. It is the one act of Parliament that touches every single Canadian. If we redesign the tax act in a simplified, fair, efficient way so that all Canadians can feel that they are part of the tax renewal movement, that will be the spark that is necessary to first of all get capital flowing into this country. By having a globally competitive tax system, capital will move here. That in turn will ignite that entrepreneurial spirit again, to take chances and invest in our communities, which is how jobs are created. At the same time it is going to give us the ability, because of that uptake and faster growth, to make those cuts in program spending a whole lot easier because the growth will have picked up some of the pain that will be there because of these deep program cuts we are going to have to make.

• (1305)

I welcome this debate today. It is a very important debate on the eve of preparing the budget. However, I caution members to consider, as Professor Fortin has stated in his paper, that we cannot just look at a system where we only have fiscal discipline. At the same time we have to create an environment where we can have faster growth. We need faster growth. You cannot spark, induce and motivate people into taking chances and getting this economy going unless you hit them with a fair and constructive tax system.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, we have been listening all day to speakers from both sides of the House expressing their views on how to run this country rationally. We are presented with the following alternative: on the one hand, cut services, social services naturally, and on the other hand, increase taxes. Never was sound management mentioned.

When I was mayor of Garthby township, we were required to bring down a balanced budget, because municipalities were not allowed to have deficits. When I see a government trying to play Santa Claus, wasting public funds, being generous, extremely generous and acting in such a way that the next two or three generations will have to pay for this generosity today, I cannot help but worry about the fact that we need to borrow in order to pay current debt charges.

I could give this Liberal government a number of examples of sound management. But last year, before Christmas, the Minister of Intergovernmental Affairs and member for Hull–Aylmer travelled aboard a government jet to go and deliver two ten–minute conferences on the benefits of sound government management, at a cost of $170,000. Also, the restaurant on the 6th floor of this building lost $2 million last year, and most of this deficit is due to the fact that senators and members forget to pay before leaving. Apparently the waiters do not run too hard after their clients either. Two million dollars.

The operation of the other place costs $65 million each and every year. The government could manage a little better. When I hear that good taxpayers owe government $6.6 billion are these friends of the regime? I do not know. Corporations, companies, small and medium size businesses owe $6.6 billion. The government is forced to borrow today because it is dirt poor, yet it does not collect what is owed. A government that is unable to collect its assets does not deserve to govern the country.

• (1310)

Mr. Speaker, I think that you too were the mayor of your municipality, so you know full well what happens to voters who do not pay their property taxes. After three years, their property is sold off to pay taxes.

Mr. Mills (Broadview—Greenwood): Question.

Mr. Chrétien (Frontenac): My question is this: I know that the Liberals want to preserve family trusts and tax shelters for their friends because they need them to fatten up their election fund.

Mr. Mills (Broadview—Greenwood): Question! Question!

Mr. Chrétien (Frontenac): Why does the hon. member for Broadview—Greenwood not talk about sound management? I will always remember when we had work done in the sixth concession road in my parish—and I will close on this—, all local truckers were hired to widen the road by laying 12 inches of good gravel. Of course, the trucks were not fully loaded so some taxpayers asked me to do something about it. I told them that it was not us but the provincial government that was paying. When they heard that, they went away reassured. Today, whenever Canadian taxpayers hear that expenses will be paid at a higher level, they feel as though the money will come from the sky. Yet, you never say anything about sound management. Very often $175,000 contracts could be carried out for $20,000 or $25,000.

Mr. Mills (Broadview—Greenwood): Okay.

Mr. Chrétien (Frontenac): So go ahead. Sound management is what we expect from you.

[*English*]

Mr. Mills (Broadview–Greenwood): Mr. Mayor—

The Acting Speaker (Mr. Kilger): As a former referee I have been called a lot of things but I have never been called a mayor because I have never been a mayor.

Mr. Mills (Broadview—Greenwood): I thought I would give you an opportunity, Mr. Speaker, to set the record straight.

First I say through you to my friend in the Bloc that we would never disagree with you on improving the administration of government. I tried to suggest that I think there is a very tight disciplined focus on cutting expenses and eliminating not just programs but cutting out waste and the expenses the member referred to.

I also said that the single tax system it is an airtight system so that no one can exclude paying their fair share of taxes, including the family trusts. That is included as are all incomes in the system. I have sent copies to the member. Maybe he just has not had the time to read the proposal.

I think there is a far more important point to make to the members of the Bloc here today. I get the sense from their debate that they are not into really constructing a positive spirit for the people of Canada today. I get a sense that they are trying to take a few cheap shots.

I do not want to take any cheap shots, but I do want to say the following. I believe that one of the greatest factors in getting this economy of Canada going again is restoring confidence in our communities, confidence in our entrepreneurial sector, and confidence in investing in the country.

By having a chamber like this where there are people who are constantly talking about taking Quebec out of Canada, I would venture a guess that that is costing the economy of Canada a lot of money. I hope they can maybe forget about being the Bloc Qubecois today and start taking a day to be the Bloc Canadien.

• (1315)

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, before going on to my speech as such, I cannot help answering the Liberal member who just concluded by saying that we should be a "Bloc Canadien"—what a slogan. Maybe he should take the time to think about why we are proposing sovereignty for Quebec and why we were elected and realize that it is probably in the best interest of Quebec and Canada.

I would like him to take just a few minutes to think about it and see what kind of partnership there could be in future and maybe then he would start thinking more positively about it. Now, to reassure him, I entered politics for two reasons. Of course, I wanted to help Quebec fulfil its rightful destiny as a sovereign country, but I also wanted to improve the government's finances.

It is not true that we will continue to go deeper into debt year after year, because whatever happens on the political front, we must improve the government's finances in the short term. The Minister of Finance has not done much about it in the past year. When he presents his next budget, I expect him to rise in this House and say, "We have achieved our forecast; we will end the year with a deficit of $39.5 billion". And then you will see his colleagues rise and give him a tremendous ovation.

They will be proud to have such a high deficit, although the deficit was $41 billion last year and only the surplus in the unemployment insurance fund has made it possible for them to reduce the deficit this year, and by so little, $2 billion, just from the UI fund. Those people will be happy, they will be proud, they will feel like they are in control of the nation's finances.

To give an idea of the size of the problem, let us talk about the OECD. You know, the OECD compiles statistics. It is not the Bloc Quebecois but a very reputable economic organization and I want to give you some statistics from the OECD. You know, it is not true that we can explain what is going on here by saying that it is happening throughout the world. That is not true.

Canada's indebtedness is much greater than other countries'. I tell you that the net debt is rising much faster here.

Between 1985 and 1993, the ratio of the net debt over the GDP for the governments of OECD members, that is 15 countries including the G–7 nations, increased by 22 per cent. This is already pretty serious. However, for Canada, the increase for the same period was 77 per cent. I can just hear the Liberals say "There you go; this is what the Conservatives did". Well, let us look at another statistic. The national debt essentially increased between 1970 and 1985. If we use the same indicator again, that is the ratio of the deficit over the GDP, we went from a surplus of 0.3 per cent in 1970, to a deficit of 8.7 per cent in 1985, at the end of the Liberal government years.

This was an unprecedented high which has not been equalled since. Now that the Liberal Party is back in office, its Minister of Finance launches an unprecedented consultation exercise to say that the government will hit hard. That consultation might be something new, but the message conveyed is certainly nothing new. In the two years preceding the arrival of the current finance minister on the scene, his predecessors said the same thing, only to end up with timid measures in the budget itself.

For all sorts of reasons, people are skeptical about the minister announcing this year the cuts which he intends to make to reach his objectives. Indeed, there is such a thing as a political context and the government must show that the federal regime is good and that it benefits every Quebecer. Consequently, the Minister of Finance will once again only announce timid measures to slightly reduce the deficit.

But wait until after the referendum. This is when the major cuts will be made. Last Friday, I listened with great interest to the finance minister, who was Jean–Luc Mongrain's guest on his very popular program in Quebec. The Minister of Finance, who looked very serious and deeply concerned by the magnitude of the deficit, said: "This time, Mr. Mongrain, we have no choice and nobody will be spared". I will come back to this "nobody will be spared" later.

• (1320)

Now, all of a sudden, he says that we must reduce the deficit in order to improve the employment situation. He is saying the exact opposite of what his party promised during the election campaign. I must admit that I have not followed, day in and day out, all the statements made by the Liberals, but I seem to remember what the public has remembered, and that is the slogan they used and the fact that they were always talking about "jobs, jobs, jobs". They assured us that job creation would restore dignity. They have now found out that they must first deal with the deficit, and that will help to improve employment.

That sounds like what the Conservatives used to say. That is what the Minister of Finance used to say, and since the Minister of Finance is still at the helm, whether he is Liberal or Conservative does not change anything, the statements are all the same and Paul Martin, as Minister of Finance, is making the same old statements. Nothing has changed, except maybe for the colour of the cover page. He now tells us that, yes, these are the measures the government has to take.

The same thing goes for the monetary policy. It is amazing to see how members change their minds when they change sides in this House. The Liberals ferociously criticized the monetary policy put forward by the Conservatives, but now that they are in office, they keep quiet on this issue. They keep going in the same direction as their predecessors; all they have changed is the director, the Governor of the Bank of Canada, to replace him by someone who thinks alike.

Some experts, including Pierre Fortin, an economist at UQAM whom a Liberal member quoted extensively earlier, have told the finance committee that the government still has some leeway to toy with the short–term interest rates. The inflation rate is low, very low, in Canada, and the difference between the rates in Canada and the United States is still relatively high, compared to what it could be. Inflation is beginning to be felt a little more in the United States.

But we keep following the same restrictive monetary policy. Worse, we are now being told that both policies, the monetary policy and the fiscal policy, will be restrictive. This monetary policy, and especially the short–term interest rates, give you something to think about. But now they have gone back to their offices at the Department of Finance, and that is it.

Earlier, a Liberal member said, and this is typical, that economic growth would take care of everything. There is something fundamentally wrong about this reasoning. The figures we get from their own Department of Finance tell us that 80 per cent of the current deficit is due to structural problems. The structural unemployment rate is 8.5 per cent. This means that even with strong economic growth, the current deficit cannot be reduced by more than 20 per cent and the unemployment rate cannot be brought below the 8.5 per cent mark.

As far as structural problems are concerned, and I will get back to this later before I finish, the World Competitiveness Report provided some interesting information on Canada's competitive position and contained references to structural problems. I agree, these are complex issues which are not easy

to explain, but the people who are running the government should understand.

Here again, we see very little change from the previous government. So what is happening as far as the next budget is concerned?

I would like to comment briefly on the prebudget consultations. I was involved from the very beginning. I went on the tour of the Western provinces, and I wonder who was talking to whom. These prebudget consultations were planned some time ago, but the groups that appeared before the committee were informed only two or three days ahead of time. They appeared at the last minute and apologized, saying they had been invited on very short notice. How come? This was supposed to be the widest ranging consultation in the history of the Department of Finance, and people hardly knew about it. They were unable to make a good presentation, because they were pressed for time.

At this time of the year, the next budget is already at an advanced stage. One wonders how significant the committee's contribution can be, when we consider that from today onward, every day is almost a whole day too late. There will be a postponement until December 7. It could have been much later, but there definitely was pressure not to go any later than December 7.

• (1325)

I will now discuss the feelers put out by the Minister of Finance concerning RRSPs. It is incredible the kind of concern we are now seeing about RRSPs. All options were open, when I put the question to the minister on a number of occasions here in the House. Did he intend to tax capital accumulated in RRSPs? Reduce the maximum annual contribution? The total accumulated contributions? Not a word. The door is wide open.

One of Canada's weak points as far as its competitive position is concerned is its level of savings. In your first course in macroeconomics, you learn that one of the key variables that generate investment is savings. When you buy an RRSP, this is money you save which is then reinvested. If the Minister of Finance wants to play around with the savings of Canadians which are already very limited, we are not going in the right direction.

That is the signal he is giving people for next year. People will be concerned when it comes time to contribute to their RRSP. They will say to people who want to sell them RRSPs: "Yes, but if I put the money in, you say that it is a good vehicle, because it helps us improve our tax planning and defer paying taxes on our income until we are retired. But now, I am not so sure, because there are rumours the Minister of Finance is going to tamper with that". Even if he does not do it in the February budget, we have no guarantee he will not do so the year after. He should send a clear message to the public that he will not tamper with this vehicle and that it would be useless for him to do so. All he would be doing is siphon money out of retirement funds. At the present time we are borrowing, but this would drive us to borrow even more in the future.

What is going to happen when these people retire if there is less money in their retirement funds? What is going to happen? It will be a disaster. It is a very strange reasoning, especially when one considers that family trusts can defer paying any capital gains tax until the death of the last beneficiary, that is to say for 80 years if we limit ourselves to normal life expectancy. We are told: "No, we are not considering actualization every 21 years, as it was done previously. No, it is out of the question, it would be bad for the economy. It would serve no purpose". Yet, the government wants to impose it on individuals, middle-income taxpayers. They are told: "We are going to tax your future income right away".

There is a great lack of consistency there. This is a very skewed reasoning which will have to be explained. Of course, the government keeps the door open by saying: "Yes, we did not do it, but wait for the next budget. This is not too serious". We could have healthy consultations if people knew where we were heading. At present, everything is open, in any direction. It is not necessarily a bad thing to open everything for review, but when we look at the papers that the minister publishes, we see very strange things. Take fiscal spending for example, tax credits for charitable donations are considered almost like wasteful fiscal spending, when they are actually very good for the economy. They actually reduce the amount the government would otherwise have to pay. Expenses are only dealt with in terms of personal income taxes, not corporate taxes.

I would like to present a few statistics illustrating the depth of the challenge facing us since cuts are so often mentioned.

Let us have a look at the distribution of the population in terms of income brackets. This is based on income tax returns. About 20 million taxpayers file a return. It is rather shocking to see that 50 per cent of the population has an annual income of $20,000 or less; 50 per cent. If you go up to $25,000, you find that 60 per cent of the population has an income of $25,000 or less.

To balance the budget and bring the deficit under control, that means $2,000 for each and every person. Twenty million taxpayers at $2,000 equal $40 billion. Of course we could take the economic growth into account. However, we must keep one thing in mind, the interest on the debt is increasing because we are going deeper into debt. Every year, we must pay more interest. Economic growth allows us to generate additional revenues to pay increasing interests.

Now we are told that we must bring this problem under control, so the government targets the middle of the pyramid or the bottom half, where 60 per cent of the population is.

• (1330)

Cutting expenditures may affect everybody in pretty much the same way. But proportionally, it is those with an income of $25,000 or less who are going to be hit the hardest. You can see

right away that, if this is the way the government decides to go, it is going to be impossible, inhumane.

What is the alternative? Why not target the top of the pyramid? The middle class is not part of this picture yet, but if you want to go higher, you will find that 20 to 30 per cent of the population is in the $25,000 to $55,000 bracket. Right away, you can see what a huge challenge this is going to be; reduced spending alone will not be enough. We should take a look at fiscal expenditures. Now you should see how hard it is to get information. It is complex, it affects the economy, it hurts, whereas it does not hurt to attack the underprivileged, to cut benefits paid to the unemployed. They do not consume goods and services, therefore they do not contribute to the economy in the eyes of that party. Only the rich contribute to the economy. That is the myth. And the Reform Party is in total agreement. They think alike on this issue. They think that the rich drive the economy, not the middle class. This is a terrible thought.

Mr. Chrétien (Frontenac): Terrible and terribly wrong.

Mr. Brien: I hope that they will see fit to deal with the top of the pyramid and address the squandering going on at that level.

I see that I have only a few moments remaining in my speaking time. Let me briefly touch on taxation, just to say that a major confidence–building factor is missing at present. When you look at outstanding tax accounts totalling $6.6 billion. But 82 per cent of this amount is owed by 25 per cent of the taxpayers who have tax accounts oustanding. Yet the Minister of National Revenue is pleased to tell us: "We are much more efficient; we recover a much greater number of accounts". What he does not say is that they go for the small accounts. The large ones, they do not touch them. In the private sector, we go for the big accounts, we do not deal with the small ones first. Efforts are made in both cases, but here you are less efficient; you start with small accounts and large accounts. After a while, you have all kinds of problems on you hands. I am not talking about accounts in dispute, because then you could add another $2.5 billion. The Department of National Revenue generally wins most of these disputes. This means that, eventually, a few more billions can be expected to be recovered.

To this we can add the GST with overdue accounts in excess of $1 billion. The total amount owed the government is close to $9.5 billion. Why? Because people do not trust the government, because they feel that they are paying more than their fair share and are increasingly turning to the underground economy. More and more of them are rejecting and revolting against our tax system. What are they doing about this? Nothing yet. They do not even have the will to tackle the problem. They do not even talk about it. That is unacceptable.

The Bloc Quebecois will include its suggestions in the report to be submitted by the finance committee. They must remember one thing: They were elected to make decisions. They must stop hiding behind all the consultations they are holding to help them make decisions. They are paid to make decisions. The Minister of Finance was appointed by the Prime Minister to make decisions. He is not going to hide behind committees that will support his comments or tell him not to do this or that; it is up to him to decide. In any case, people will soon get fed up with these phony consultations. People are very skeptical, and with good reason, as we will see if they listened to what the people they consulted had to say about RRSPs.

I will close by addressing the issue of competitiveness. I will limit myself to four points out of many. We have our strong points, the areas where we rank in the middle, and our weaknesses. Since we want to improve, let us look at the weaknesses. Since I have only two minutes left, I will close on this. Some companies do not provide their employees with adequate training. This sounds to me like a training problem. The education system is not in line with the business world. This also sounds like a training problem. We are told of weaknesses in our education system. True, it is a provincial jurisdiction. Quite so. But here the provinces get money in the form of transfer payments. Suddenly they are told that their aid will be cut and that their students will have to go into debt. The government can no longer afford it. Students will have to go into debt. In addition to having to bear an incredible tax burden in the coming years, they will have to go into debt personally to pay for their own education. We benefited from the education system; now it is their turn to pay the bill for it and pay and pay and pay.

• (1335)

They take us for a bunch of idiots. What they are trying to do is unacceptable. It amounts to several billion dollars. Besides, we have learned that they even want to touch the tax points which Quebec acquired in the past; they will find obstacles in their path. We will block their way.

Two more points. We hear that governments have trouble adapting to new economic realities. In the present context where we must adjust quickly to markets, we need flexible, responsive, efficient political entities. What we have here is a political system that is completely paralyzed and has trouble moving; it consults and consults. How many consultations has it done? The Liberals are going over the same ground as the Conservatives did in 1984, with consultations on the same subjects. Why? Because finding a consensus in Canada is very difficult.

And then they tell us that we are out–and–out demagogues when we talk about sovereignty. It is a model which they should consider seriously. If they were honest, they would tell people across Canada that it is an option worth considering. I conclude with this: People are ready to make sacrifices, to the extent that they feel it is fair and everyone is doing their share, starting with the top of the pyramid. In terms of spending, this is the top of

the pyramid and we must cut spending. When that happens, people will really start to gain confidence.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, I also happen to have a few questions for the hon. member opposite. We hear a lot about scenarios, about the country's precarious finances, the exponential growth of the debt and the other problems of the last few years.

As you know, this exponential growth of the debt did not only occur in Canada: It was a worldwide phenomenon. I would like to know what the monetary and fiscal policy of Quebec's government would be—assuming an independent Quebec—, because all we hear is that Quebec intends to share Canada's financial system and that any monetary policy would be, if I am not mistaken, a joint policy.

In that context, what would be Quebec's contribution? How would it change the system that is currently in place? I am also intrigued by the hon. member's comments on interest rates. How are we going to deal with the confusion and the concerns of international investors if Quebec becomes independent? I am curious to hear how we could control interest rates in such a context.

According to the member, there are some experts who claim that interest rates are very low in Canada and that a lot must be done in that regard. However, what kind of guarantee can the member give regarding those interest rates, assuming that Quebec becomes independent? There is no question that, as regards finances, political confidence is always a factor. I believe that this political confidence exists in Canada, but what guarantee do we have that everything will go just fine in Quebec if it becomes independent?

How will the hon. member convince investors, considering that Quebec will have to take its share of the country's $500 billion deficit, not to mention the deficits incurred by the province and by Hydro Quebec? It is well known that deficits in Quebec are much higher, per capita, than anywhere else in the western world.

So, how will the hon. member convince foreign investors, given that this new country would be struggling with a huge debt larger than that of any other region in Canada? I would appreciate an answer to these questions.

Mr. Brien: Mr. Speaker, it gives me great pleasure to teach the hon. member for Bonaventure—Îles-de-la-Madeleine some economic concepts.

An hon. member: He does need it.

Mr. Brien: First of all, I am very glad to see that the member is starting to reflect upon the possibility of a sovereign Quebec, of what a sovereign Quebec could achieve and could be. We should probably be thankful to his constituents who are now more than ever telling him that they think it is a desirable model and probably a forward-looking option. So now, the member is curious about the policies of the Bloc Quebecois and is showing some interest.

I am really glad and I congratulate his constituents for showing him the errors of his way. The member raised four points in his question, which I want to go over, one by one. He said that the public debt is a world-wide phenomenon. It is so easy to use clichés! Since the member thinks that this is a world-wide phenomenon, let me repeat what I said at the beginning of my speech, there are two periods to consider.

• (1340)

I heard one of my colleagues say that the Liberals are responsible for Canada's indebtedness. That is probably more exact. Between 1970 and 1985, we started with a surplus to end up with a very significant deficit.

At the international level, between 1985 and 1993, a period dominated by the Conservatives which the Liberals would qualify as a very difficult time, the debt level of member States of the OECD increased by 22 per cent. Meanwhile, the debt in Canada rose by 77 per cent, roughly 3.5 times more than in OECD countries. Maybe indebtedness is a world wide phenomenon, but the phenomenon in Canada is a lot bigger than anywhere else, probably due to structural problems.

He takes an interest in what the monetary policy of a sovereign Quebec would be. I am happy to see that he thinks about it and that a sovereign State of Quebec might be allowed to sit on the board of the Bank of Canada to discuss its point of view. It would be interesting to finally be able to discuss issues as an equal partner. Anyway, all I said about the monetary policy is that his party—I do not know if he was a member of Parliament at the time or if he followed the business of the House—his Minister of Finance and all Liberals criticized John Crow and the monetary policy of the Bank of Canada. But now that they are themselves in charge, they tell us the current restrictive and harsh monetary policy must be maintained.

All I noted is a blatant contradiction. All I said about the monetary policy is that whoever is asked to apply it should be forced to solve the problem of short-term interest rates. He said that interest rates are low in Canada, while, on the contrary, interest rates are high in Canada. The difference with the United States is larger. That is what has to be looked at, especially concerning short-term rates. People should not be misled on such serious concepts.

He talked about international finance and the fact they worry about a sovereign State of Quebec that would be "crippled with debts", in the words of the hon. member for Bonaventure—Îles–de–la–Madeleine. If Quebec can be said to be crippled with debts, how would he describe Canada's current debt situation? Canada is, with Italy, one of the countries most heavily in debt. Actually, Italy's foreign debt is much less serious than Canada's or even Quebec's.

What international financiers will look at are the results. That is what they will look at. His colleagues and himself—well maybe not himself because he will continue to live with us in Quebec, especially since we sense a very strong change in attitude on his part. As I was saying, his colleagues will have to take their responsibilities and consider an economic partnership because it is not true that Ontario will refuse to trade with Quebec. That province has a $3 billion trade surplus with Quebec. I cannot imagine Toronto business people—who are supposed to be very rational—saying that even though they make money, they no longer wish to do business with Quebec.

The Liberals will have to explain to their constituents that it could be a very interesting free trade zone. It is a forward–looking and constructive option. Our constituents expect us to have a sense of responsibility, to stop playing politics like we would like to do sometimes.

The financial community will indeed look very carefully at what is going on in Quebec and in Canada compared to international markets.

My main concern right now is that Canada is probably ill–prepared to face what may happen over the next year. Perhaps it will be Canada's credit rating that will suffer the most, which is not desirable. As Quebecers, we do not wish to see Canada find itself in a difficult situation because it will be our neighbour and we want it to be economically healthy. The member for Bonaventure—Îles–de–la–Madeleine certainly wants the same thing we do.

We are told that 80 per cent of the present deficit is due to structural problems. I will talk about structural problems and about reports on competitiveness that were prepared by people who are not necessarily members of the Bloc Quebecois, but are world renowned specialists. They tell us that we have weaknesses in adjusting rapidly to the modern context. Problems in manpower training were also pinpointed. All Quebecers, federalists and sovereignists alike, think Quebec should have jurisdiction over manpower training, but no. Simple and basic demands like that are just ignored.

• (1345)

That is why more and more Quebecers, including those in the riding of Bonaventure—Îles–de–la–Madeleine, have undertaken a positive thought process, and, within a year, will make a decision to improve their economic situation, both for them and for future generations, in order to build a thriving Quebec, next to countries who hopefully will also prosper, Canada and the United States.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, I did not expect to be the next one to speak. I will nonetheless try to elaborate on the global picture of our financial situation. I think the Minister of Finance has already explained how critical it is. And not only must we suffer these difficult times, we must also suffer cynicism on the part of the opposition.

When I hear members of the opposition say that the only way out is independence or sovereignty, I believe the vast majority of Quebecers do not agree with that option which will not generate any advantage or improve the economic issues of common concern to all Quebecers.

I would like to speak mainly of the pre–budget consultation which will soon be underway. I believe we are about to have a new economic framework.

It is important to remember that our government has limited revenues, and that problem is experienced by the federal government, by the provinces and by countries all over the world, especially western countries. Our government has limited possibilities for direct investment. They cannot solve all the problems and we should not expect them to do so.

I believe the purpose of governmental action is to encourage partnerships. At the federal level, we are quite prepared to work in co–operation with provinces, municipalities and businesses. I think it is very important and, as the member from the other side said so well, what people want is a spirit of co–operation.

One of the strong points of Canadian federalism has always been, for 125 years, the ability to find common grounds, to find ways of reaching sectoral agreements. Of course there are areas under the federal jurisdiction and others under the Quebec jurisdiction, but we often have to work together. Instead of splitting up and thinking that Quebec will be better off once it is on its own in a North American context, I doubt very much that Quebecers will agree with such a scenario or, for that matter, the proposal of Mr. Parizeau and, of course, the Leader of the Opposition.

We were talking about the need to control the debt. I think that has a lot to do with productivity in Canada. We have to review not only our policies and how we manage the government, but also how we help the small and medium businesses to revitalize the Canadian economy.

With that as a background, we are looking for some reductions, of course, but that does not necessarily mean that we do not want to reconsider our objectives. The government global strategy is job creation. By creating jobs, we encourage people to pay taxes, to participate in the economy and that is the only way out for us.

When we talk about program review, we always talk about the social security reform. I think it is important to recognize that after 50 years, we have to review that program. We have to reconsider it to allow the federal government to carry on the way it should and revitalize the economy of our country.

When you take a look at the reform, I think the government and all the social and economic stakeholders, from Quebec or other parts of Canada, worry about the emergency of finding new niches, new opportunities for the Canadian industry. We were certainly able to deal—

• (1350)

Mr. Chrétien (Frontenac): Certainly.

Mr. Gagnon: Unfortunately, opposition members do not want to take part in this debate. The only thing that they are interested in is independence, sovereignty, but not necessarily the well–being of their fellow citizens.

In my riding of Bonaventure, I am very concerned by the level of education, of schooling of my constituents. That is certainly a problem. There are many certainties in politics. But among other certainties is the fact that the rate of secondary level graduates is much lower in Quebec than in other Western countries. I think that there is a lot to be done at the professional training level. We have the opportunity to encourage these young people to discover new horizons. The only way that we can do that is to ensure a sort of continuity in the Canadian federation, but also to encourage the young people to complete their studies, to encourage businesses to hire them afterwards and to give a chance to these new and small businesses to find new markets not only at the Canadian level, but also at the international level.

The federal government must take into account not only the social security net, but also the new defence policy of the Government of Canada in a world where the cold war is over, where we do not have the same number of soldiers and officers any more, where our need or our strategy is no longer a military one, as regards the East European bloc. We certainly get some benefits from that. No doubt we have to revisit and reconsider the funds allocated to National Defence.

There is also our foreign policy which costs us a lot of money. Once again, we must develop a new strategy. What is the new Canadian strategy at the international level? I think the Prime Minister made a remarkable demonstration of it when he determined that in the future, the Government of Canada and above all, the Prime Minister, would have to promote our products and services worldwide.

Let us look at what happened in China, for example. We signed contracts for almost $8, $9 or $10 billion. I think that this mission was very profitable to Canadians, to Canadian businesses and also to companies from Quebec. We now have learned that 30 per cent of the contracts were awarded to Quebec businesses. The reputation of Canada was, of course, instrumental in all of this. In order to get contracts, especially in Asia and most particularly in China, you have to give small businesses support, sometimes at a fiscal level but also at the level of foreign policy, to get signatures on contracts, very important contracts.

According to Bernard Landry, it is unfortunate that these contracts were negotiated before the Prime Minister of Canada arrived in China.

We have to recognize that for these countries it is important to deal with politically stable countries, recognized in the area of international trade, countries which have acquired an enviable reputation like Canada. We must acknowledge that it is not the case of Quebec. Quebec is not an independent country, Quebec always took advantage of the fact that it was part of Canada, it always capitalized on our good reputation in the world of international trade.

I will repeat that the consultations undertaken by the Department of Finance, and naturally the committee, are meant to give information to Canadians.

• (1355)

This information on the deficit is fairly well known, we have talked at length about the accumulated debt, and about the situation in the provinces and municipalities. We have to take into account the new Canadian policies regarding job development, defence, foreign affairs; all of these have one overriding goal, to revitalize the national economy.

However, once we have given this basic information, we have to itemize spending, we must tell Canadians where our money comes from, and explain why we have a deficit. You know, it is not easy to explain, but numbers are self–explanatory. That is the reason why we must appeal to Canadians from all walks of life to give their opinion and suggest solutions to the deficit problem we are facing right now.

Whether Quebec becomes independent or not, the deficit is a problem we share with all provinces. When you prioritize economic recovery, you give priority to Canada for the economic benefit of all Canadians. Obviously, we must work together. I believe that every one of us has the duty to take into account the fiscal reality of the country as well as the possibilities to find common solutions.

We are now talking about the central role of the federal government, but we still want to hear the point of view of all Canadians in every sector of the economy. I believe that when the committee starts touring the country, it will meet east–coast fishermen, people working in the forestry area, not only workers, but also businessmen.

Of course, we must assess what our strengths are, but also our weaknesses; this is the way to reach a common position. In Ontario, we will certainly meet more industrialists, in the car and aerospace industries. There is a lot to do, in every province.

Getting advice from all the sectors in which we are strong is a priority for these consultations. I hope that the opposition will take part in them. University professors, scientists and scholars will also be able to contribute so that we can get our national economy going again. Strangely enough, when we talk about national economic recovery, this includes local and even regional economic recovery.

This past week–end, in Eastern Quebec, the Université du Québec à Rimouski granted economic regional development certificates. People, especially young people, were asked how to elaborate new economic development policies. I see my time is running out. What a pity! Twenty minutes go by so quickly—

The Speaker: I will give the floor back to the member at 3 p.m. and we will listen to him with great interest. It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

WESTRAY MINE DISASTER

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, today in Stellarton, Nova Scotia, the Governor General, the Right Hon. Ramon Hnatyshyn, will present the medal of bravery to the heroes of the Westray coal mine disaster.

Close to 200 draegermen and barefaced miners will receive this decoration for their unselfish acts of bravery under very hazardous circumstances. This is the first time in Canadian history that so many individuals have been awarded bravery decorations for a single incident.

I stand here today to salute those individuals for their heroic acts during this tragic time.

I urge each member of the House to take a moment and reflect on those who lost their lives in the Westray mine disaster. Let us never forget the efforts of those individuals who worked so diligently in the aftermath of this tragedy. Not only do they deserve our recognition but our deep and heartfelt thanks.

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[*Translation*]

BLOC QUEBECOIS

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, over the weekend, the general council of the Bloc Quebecois adopted a comprehensive referendum action plan in harmony with all sovereignist forces in Quebec. This action plan includes a convention to be held in April, which will focus on Quebec sovereignty and its effects on day–to–day activities.

The Bloc Quebecois is prepared to be actively involved as a major player in the referendum, because the battle ahead of us will be the battle of a lifetime. We will demonstrate that sovereignty is essential to the development of Quebec and the future of our children. We will repeat that the federalist alternative is nothing but the status quo, as the Prime Minister of Canada keeps telling us.

We, the people of Quebec, will choose sovereignty. We are ready. And we will win this decisive battle.

* * *

[*English*]

EMPLOYMENT

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, last Friday it was implied both inside the House and outside that I would preclude women with children from working in my office because I was concerned that their family responsibilities would impair their ability to do their job.

That is simply not the case. I apologize for failing to make my position clear in my comments in the standing committee. Two of my staff are married women with children and I oppose bias in hiring, particularly on marital grounds. I asked applicants during the interview stage about their family situation but this was not a factor in the hiring decision. I selected people on the basis of their qualifications and experience.

I now understand this is against the rules and I will refrain from doing so in the future. However I think it is sad that an employer cannot discuss an employee's family situation to arrange support for them during family sickness or emergency.

* * *

"UGLY FACE OF FREEDOM"

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, recently the American television show "60 Minutes" aired a story called the "Ugly Face of Freedom" which alleged that anti–Semitism was on the rise in Ukraine.

This story slanders Ukraine and ethnic Ukrainians everywhere. To make its case it relied on historical events and interviews with radical political groups. It offered no firm evidence to prove its case. It interviewed the editor of a daily right wing ultranationalist newspaper and allowed him to voice his demented opinions but forgot to mention the number of papers that he sells.

From its lofty platform as media "60 Minutes" is allowed to broadcast its message across Canada and the United States. When people see this show on television how are they to know that it is not so?

I call on the CRTC to take steps to ensure that this kind of misinformation is not allowed to be broadcast across the border so that this type of harmful misinformation may never slander another group again.

* * *

THE COMFORT MAPLE

Mr. John Maloney (Erie, Lib.): Mr. Speaker, recently the oldest member of my riding underwent surgery to correct damage caused by a lightning strike some 30 years ago.

This well–known character resides in North Pelham and is an 80 foot tall sugar maple tree named the Comfort maple and is reported to be 500 years old. I am pleased to announce that restoration this summer has had excellent results and the Comfort maple is recovering well.

This summer the Comfort maple was host to a stamp launch by Canada Post for its maple tree stamp series. This event was all the more significant because members of the Comfort family of West Lincoln after which the tree is named celebrated their 100th consecutive family reunion.

The Comfort maple reminds us that we have been here for such a short time. Five hundred years ago the exploration of Canada by explorers had only just begun. Yet here stands this tree a witness to all subsequent events.

The history of the Canadian nation and this tree have run a parallel course. The maple leaf is an enduring symbol of our great nation. This magnificent tree has survived stormy times, as has our country. Both will continue to flourish and grow for many, many years to come.

We in Erie are proud of the Comfort maple. We in Erie are proud to be Canadians.

* * *

THE ECONOMY

Ms. Susan Whelan (Essex—Windsor, Lib.): Mr. Speaker, Canada's economic performance in recent months has been very encouraging.

Real growth at 6.4 per cent in the second quarter far outstrips the performance of any other G–7 country. Retail sales are up in the third quarter and up 7.8 per cent over last year. Real exports are up 5.6 per cent in the third quarter. This is a record level and the fastest growth since 1983.

Employment is up by 307,000 jobs since January, all full time jobs. Employment growth in recent months has been the most rapid in almost six years. The unemployment rate has fallen from 11.4 per cent in January to 10 per cent in October. Over April to August the deficit is $4.5 billion lower than in the same period in 1993–94.

It is results like these that lead the IMF to project that Canada will have the strongest growth in output and the highest rate of growth in employment in all the G–7 countries in both 1994 and 1995.

* * *

• (1405)

[*Translation*]

CHILD CARE

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, the Minister of Human Resources Development recently released another discussion paper, this one dealing with daycare and child development. It says that the minister intends to review every funding formula on the basis of the objectives he has set for his social program reform.

Meanwhile, the government is cutting UI and welfare benefits. It is unthinkable that this government can logically make a distinction between the welfare of families and that of children. As if the poverty affecting children in Quebec and Canada could be viewed and analyzed as separate from that of their parents.

Moreover, the government is again encroaching on a provincial jurisdiction, without a hint of hesitation. Such an attitude is simply unacceptable.

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[*English*]

SAMARITAN'S PURSE CHRISTMAS CHILD PROGRAM

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am pleased today to offer my congratulations to the children of Calgary for their overwhelming participation in a very special project directed by the Samaritan's Purse Christmas Child Program.

For weeks now elementary students in the city of Calgary have been filling shoe boxes with Christmas gifts to send to children in Bosnia and Rwanda. The project has involved about 200 schools, 500 teachers and many church and community organizations.

The results have been spectacular. They have put together more than 30,000 shoe boxes filled with toys, treats, school supplies, clothes and in many cases personal letters. An additional 15,000 to 20,000 boxes from locations outside of Calgary bring the total to an amazing 50,000. Other donations from Calgarians bought an aeroplane ticket to send an elementary school teacher to help deliver the shoe boxes to Bosnia.

This is an example of a community working together at its best to help others. The children who took part so enthusiastically provided the spark that made this a truly memorable experience for all who were involved. Congratulations to them all.

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ENVIRONMENT

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, it is my pleasure to inform the House today that the Deputy Prime Minister and Minister of the Environment, the hon. member for Hamilton East, has announced that she will chair a meeting of Ministers of the Environment from the G–7 nations. It will take place in Hamilton in April 1995.

The meeting will provide a forum for environment ministers from the world's most industrialized countries to discuss common priorities and to work together to solve common problems. The government is convinced that the twin goals of a healthy environment and economy must be pursued at the same time. By inviting G–7 environment ministers and representatives to come to Hamilton, we want to work toward ensuring that the most industrialized countries in the world are moving their combined gross national product of over $20 trillion toward sustainable development for the future of all our citizens.

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CHILD POVERTY

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, according to the National Council on Welfare over 1.2 million children under age 18 live in poverty. From a recent report by the Campaign 2000 coalition we learned that there are over 300,000 more poor children today than five years ago.

Furthermore at the latest Canadian Medical Association conference it was reported that poor children are twice as likely to suffer psychiatric disorders, failing grades and hyperactivity than more affluent children. Evidently poor children are more apt to drop out of school.

For social, moral and economic reasons the government has a responsibility to ensure that all Canadian children have an equal opportunity to fully participate in Canadian life.

I therefore urge the government to implement the resolution on child poverty unanimously passed by this House in 1989.

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[*Translation*]

MRS. MARIE MALAVOY

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, the resignation of Quebec's new minister of culture, Marie Malavoy, is indeed regrettable. However, the unacceptable justifications she gave for her illegal actions are even more regrettable.

Ms. Malavoy probably forgot that Canada welcomed her and her parents to one of the best countries in the world, if not the best, where she enjoyed all the advantages of a generous country, even becoming a faculty dean, something which immigrants cannot aspire to in France. Furthermore, did she think about the thousands of Canadians who gave their lives to help liberate her native country?

• (1410)

There is an old saying that gratitude is the highest form of justice. The former minister's comments show a lack of gratitude as well as a poor sense of justice.

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UNDERGROUND ECONOMY

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, in an interview he gave to *La Presse* on Saturday, the Minister of Finance tries to surprise us with his perceptiveness as a businessman. According to the minister, the underground economy far exceeds the levels reported by his own officials.

However, once the problem has been recognized, the minister's perceptiveness starts fading. He has no information to give us on the size of the underground economy, much less a solution to propose.

With regard to the GST, the government has lost control over its revenue but the minister does not have the courage to undertake a comprehensive review of his fiscal policy. He proposes to act alone in the dark.

Same thing for the debt and the deficit. Although the minister knows that he must cut spending in the public service, he has not made a single proposal. Yet, the minister is already slashing social programs without the necessary studies in hand. History repeats itself: Ottawa has decided to cut but it is the provinces and the unemployed who will pay the price.

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[*English*]

WESTRAY MINE DISASTER

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the Westray mine in Nova Scotia was the scene of an explosion accident on May 9, 1992. Twenty–six men lost their lives, 11 of whom are still entombed in the mine.

During the five day rescue operation conditions were present for another explosion. Roof falls had to be crossed. Lethal carbon monoxide gas which is an after product of a coal mine explosion was heavy in the mine. Miners put aside their own safety in the hopes of finding their fellow workers.

In an unprecedented presentation 195 individuals of the rescue crew are receiving the Governor General's Medal of Bravery in Stellarton, Nova Scotia, today. Fourteen of these individuals now live in my hometown of Campbell River, B.C., and work at the Quinsam coal mine 25 kilometres out of town.

I know my colleagues will join me in applauding these brave individuals who were involved in a tragedy which affected Canadians from coast to coast.

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CANADIAN BROADCASTING CORPORATION

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, according to press reports the government is seriously considering selling off CBC television stations.

Despite the promises made in the Liberal red book to support the CBC and the fact that the Standing Committee on Canadian Heritage is presently examining CBC financing, cabinet is debating a plan to radically change public broadcasting in Canada.

The CBC has been and is an essential instrument that allows Canadians to see and hear each other and to develop their own cultural identity. Is what the cabinet is debating the first step to privatize the CBC and to kill public broadcasting? By selling off the CBC TV stations what channel will Canadians be able to tune into to see Canadian programs?

In this age of the 500 channel universe and other rapid technological innovations, there might come the time to deliver public broadcasting through new methods like the telephone companies. However, that time is not now.

I concur with the chairman of the CRTC who stated before the Canadian heritage committee: "Give—

The Speaker: The hon. member for Ottawa Centre.

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CONFERENCE ON LIFELONG LEARNING

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, the first global conference on lifelong learning will be taking place in Rome from November 30 to December 3. The object of this conference is to shed light on the importance of lifelong learning and to create an action agenda that will promote and implement learning initiatives throughout the world.

My constituent, Robbin Frazer, who was key in promoting this conference in Canada, has informed me there will be 500 participants from 50 countries, including 10 delegates from Canada.

I want to take this opportunity to pay tribute to all those attending the conference. I assure them that the government, through the ministry of human resources, is committed to improving the quality of life of its citizens and ensuring access to education and training.

I am confident the global conference on lifelong learning will be a success and that a strategy of lifelong learning will be established to lead us into the 21st century.

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REFORM PARTY OF CANADA

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, last week when the Reform Party of Canada announced its proposed cuts to the federal budget, the most draconian cuts ever proposed in the history of Canada, the leader of the Reform Party had the nerve to claim that these cuts focused on non–social spending.

By calling for a 25 per cent reduction in the budget of CMHC, Reform Party members are calling for the federal government to break hundreds of federal–provincial contracts and agreements as well as thousands of contracts with public and private non–profits and co–operatives across Canada. They are also calling for cuts in social spending in the worst areas, affecting the poorest of the poor.

• (1415)

They are kicking those most in need, the poor, the old, the young, the disabled, single mothers and aboriginals, out into the streets. The Reform Party is saying to people whose annual income is on the average less than $12,000: "Get out of social housing and out on to the street corners".

This would have the effect of reducing the federal share of the shelter by 25 per cent.

ORAL QUESTION PERIOD

[*Translation*]

BOSNIA

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the situation continues to deteriorate in Bosnia, where 55 Canadian peacekeepers are still being kept hostage. In an obvious attempt at intimidation, Serb forces launched rockets yesterday near observation posts manned by Canadian peacekeepers near Visoko. The United States, France, Russia, Germany and Great Britain are asking for an immediate cease–fire at Bihac and in all combat zones in Bosnia Hercegovina, while General Michael Rose, commander–in–chief of the 24,000 peacekeepers in Bosnia, mentioned the possibility of withdrawing the UN peacekeepers in view of the escalation of armed conflict.

Could the Prime Minister confirm that the 55 Canadian peacekeepers being kept hostage are being treated well and that negotiations with the Serb authorities for their release are still deadlocked?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the 55 Canadian soldiers are not, strictly speaking, being kept hostage. They are being kept in the positions they occupied, and they continue to do the job they were doing

before in the territories concerned. I am also informed they are being treated quite acceptably.

Negotiations are continuing, to try to bring the situation back to normal. Everyone hopes there will soon be an agreement on a new cease–fire. Of course, here in Canada, we should all support our troops, who are going through a very difficult situation on their humanitarian mission to this part of the world. We hope that although our soldiers are experiencing problems at this time, and with them soldiers from other countries, things will get back to normal in a matter of days.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the mobility of the 55 Canadians have been severely curtailed, in the situation that now prevails in Bosnia–Hercegovina.

Could the Prime Minister tell the House whether the Serb authorities have reacted officially to the request by the United States, Russia, France, Germany and Great Britain for a cease–fire at Bihac?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, according to our information, the Serbs would accept an indefinite cease fire, while the Bosnian Muslims want a cease fire for A period of three months. Meanwhile, discussions are continuing to try and reach an agreement. It is encouraging, that both parties want a cease fire. We now have to wait and see whether it will be for an indeterminate period or for a specific period.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, does the Prime Minister share General Rose's views about a possible withdrawal of all peacekeepers from Bosnia, and does he agree that such a withdrawal will only lead to a escalation of the Serb offensive, with dire consequences for the civilian population and thousands of refugees who will be left without help or humanitarian aid?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Canadian troops and other UN troops are playing a very useful role. They have managed to protect the civilians there, giving them food and medication during the past many winters of conflict.

To withdraw them, the hon. member is quite right, might cause extremely difficult circumstances in Europe.

• (1420)

At the end of next week I will be in Europe. I am going to Budapest on Sunday where all the heads of state will be. It will be a good occasion to deal with the problem. Of course the position of Canada is the same as the French and the British. We are there but if there is a lifting of the arms embargo we will get out.

In the meantime, having troops there is very useful. I would like to praise the Canadian soldiers who are doing a fantastic job. I would like to tell them they have the support of the Canadian people.

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[*Translation*]

FIGHT AGAINST AIDS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Prime Minister. Of the G7 countries, Canada spends the least on AIDS research, while Canada is third among the G7 countries for the per capita rate of HIV infection.

Two days before he leaves for Paris to take part in an important international conference on AIDS, how can the Prime Minister justify Canada's lagging behind in the fight against this terrible illness which affects and threatens the lives of thousands of Quebecers and Canadians?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member says that Canada is not doing its share. On the contrary, I think that Canada is doing its share and that we have invested considerable amounts in research to find a solution for this global scourge. I hope that the summit organized by France and chaired by Mr. Balladur can move things forward in all countries of the world. I will be able to tell them that Canada wants to do as much as other countries to address this difficult problem.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, how can the Prime Minister explain his sudden interest in the fight against AIDS when his government only reluctantly maintained the $42 million budget for phase 2 of the national AIDS strategy, an amount which—may we remind you—the Liberals found clearly insufficient when they were in opposition?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this program, like all others, is now being discussed with all departments. We have a difficult budget problem. We inherited a $500 billion debt and the government's resources are necessarily limited. We are maintaining the program and we hope that research will advance in Canada and elsewhere in the world.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, Canadians are appalled that some of our peacekeepers are being held hostage and were targeted in a rocket attack yesterday.

In September the Minister of National Defence informed the House that he had renewed Canada's engagement in Yugoslavia conditionally for six months. He said that the situation is under review, if the situation on the ground changes, if the safety of Canadian troops is threatened and if the usefulness of the UN mandate has been undermined.

Since the situation on the ground has changed and the safety of our troops is threatened and the ability of the UN to carry out its mandate has been undermined, will the minister reconsider Canada's participation?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I had the occasion to say earlier that the Canadian role there is very useful. There will be a discussion this weekend in Budapest where the heads of state will be meeting. It will certainly be one of the items discussed.

The Canadian position has always been that we want to maintain our troops there as long as there is no lifting of the arms embargo. We are to review our commitment every six months. The commitment we made in September will be maintained until February and we will review our position in due course.

In the meantime, I will discuss this next week, especially with the French and the British who are in the same position as we are. We have decided to have a discussion before making the final decision. I will be in a position to report more next week.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I know there is general support for Canada's involvement in the United Nations and in NATO but we fear that the situation in Bosnia is jeopardized by the suggestions that the U.S.A. has now sided with the Bosnians while Russia is sympathetic to the Serbs and may unilaterally withdraw its peacekeeping forces.

• (1425)

How is Canada responding to this move away from neutrality by our peacekeeping partners?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is not useful for anybody to encourage any side there and whoever is doing that is not rendering a service to the situation.

We have been there for three years. We have soldiers there and other countries have soldiers there as well. I think the people who do not have soldiers there should be prudent because it is the lives of Canadian soldiers and others that are at stake. They should keep that in mind.

We are there and we think we play a very useful role in terms of maintaining peace and helping the citizens to survive. I hope the people with no soldiers there will remember that we are there.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, Canadians are justifiably proud of our peacekeepers but the disregard for the blue berets in Bosnia suggests that the UN has mismanaged this mission and is tarnishing the reputation of UN peacekeepers, thereby setting a very dangerous precedent for this and future peacekeeping operations.

What is the Prime Minister's government doing to prevent our continued participation in this mission from compromising our effectiveness in future peacekeeping operations?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the best way we can maintain our international reputation is to fulfil our mandate there. When I had the occasion in June to go to Sarajevo I was told that the best soldiers there are always the Canadians, that the UN always relies on Canadians in very difficult circumstances.

We are all very proud of them. The fact that they are participating will not reduce their reputation. On the contrary, they have kept their cool under extremely difficult circumstances over the weekend and they should all be congratulated. We want to tell them that we are very proud of them.

* * *

[*Translation*]

FIGHT AGAINST AIDS

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my question is for the Prime Minister. When Phase 2 of the Canadian strategy against AIDS was approved, it was agreed that $1.5 million would be allocated for unplanned requirements. Consequently, after proposals are made by national partners, the minister has discretionary power regarding the use of these funds.

How can the government justify that, four months before the end of the fiscal year, researchers and organizations fighting AIDS still have no guarantee that they will get the promised $1.5 million?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I take note of the question. When the Minister of Health is in the House, she will provide a detailed answer to the hon. member.

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, that is not sure, but he can also take note of my supplementary question.

Are we to understand that the Prime Minister's government was not able to use the allocated resources because there is no master plan for the implementation of phase 2 of the national strategy on AIDS?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, my answer to the first question also applies to the supplementary question.

* * *

[*English*]

GOSAP ENERGY INCORPORATED

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, the Liberal pork barrel is overflowing. GOSAP Energy Incorporated, a new Calgary based consulting firm, is siphoning money out of the federal government to compete in the private sector.

We have learned GOSAP is getting free office rent and grants from the Federal Business Development Bank and grants from Industry Canada and western economic diversification totalling $118,000.

Is the Minister of Human Resources Development willing to kibosh this outrageous abuse of taxpayers' dollars?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would be very pleased to take the submission by the hon. member and look at his allegations. I am certainly not going to respond in the House of Commons to a 30–second charge that he has made about the value of this organization. I would certainly be prepared to take a look at the facts he has presented and assess them accordingly.

Mr. Jim Silye (Calgary Centre, Ref.): I am sure when you get the chance to do that you will agree that this is—

The Speaker: The hon. member will please address the Chair.

Mr. Silye: Mr. Speaker, I am sure when the Minister of Human Resources Development takes a look at the facts he will agree it is an outrageous waste of taxpayers' dollars.

My supplemental is for the Minister of Industry. It is on the same topic. His department also granted this company $15,000. GOSAP's initial investment of $24,000 has been matched by $118,000 in federal grants notwithstanding office expenses and it does not even have the people with the expertise in place. Many small Canadian businesses can only dream of such access to capital. It is too bad one has to be a Liberal to receive such funding.

• (1430)

Would the minister tell the House how he can justify such wasteful and unfair spending when faced with cuts to social programs?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as with my colleague, the minister of human resources, we will certainly have to try to determine the facts of the case.

I can assure him that if the qualification was that the applicant was a Liberal, nobody consulted with me on whether or not in fact they were.

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, my question is for the Minister of Finance.

In an interview published Saturday in the newspaper *La Presse*, the Minister of Finance announced clearly his intention to replace the GST by a national sales tax. He clearly implied that Ottawa would act first and negotiate with the provinces later.

Does that mean that the federal government intends to impose its vision on the provinces regarding the implementation of a national sales tax and present them with a fait accompli?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Absolutely not, Mr. Speaker. Actually I talked on Saturday about the process that I discussed with the provinces during the meeting with provincial finance ministers, where I said that since consumers and the business community were so much in favour of a harmonized tax and since some provinces, including Quebec, agreed to it, we should carry on with the process. That is certainly our intention.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, will the Minister of Finance be honest enough to tell things as they are and admit that the Minister of Finance of Quebec told him that he would reject any proposal to replace the GST and the PST with a national sales tax?

This being said, will the minister admit that by practising as he did over the weekend a domineering, cynical and dreadful kind of federalism when he proposed a national sales tax, he is heading straight for a deadlock because he is attacking the provinces head–on on their taxation jurisdiction?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Not at all, Mr. Speaker. The hon. member must know that Quebec's sales tax is the one that resembles the federal government sales tax the most. Besides, such an agreement between Quebec and Ottawa, as between Ottawa and other provinces, will not be that major a step.

Moreover, I must say that during our discussions, which were very constructive, the new government of Quebec said very clearly that it would not accept a domineering federalism. Once more, I notice that the gap between the Bloc Quebecois and the PQ, since they came to power, is widening.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, my question is for the Minister of Justice.

On September 22 of this year the minister said in response to a question I asked him: "We read the report recently about the defects in the present registration system for restricted firearms and the need to improve the registration".

Was the minister referring to the justice department report covering the review of the present handgun registration system submitted by Mr. Terence Wade, or is there more than one report outlining the defects of Canada's handgun registration system?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the Minister of Justice will be bringing forward his proposals on gun control very soon. I think at that time the hon. member's questions will be answered.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, my supplementary question is for the same department.

The Minister of Justice has not tabled the Terence Wade report with the standing committee on justice. He has not made it available to the public and the departmental officials have refused to release the report to members of Parliament.

Is the reason the report is being concealed the fact that it contains a devastating condemnation of the current handgun registration system, which not only reveals its failure to reduce the criminal use of handguns but also exposes the uselessness of the minister's plan to expand this failed registration system to rifles and shotguns?

• (1435)

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, when the minister brings forward his proposal it is his intention to have meetings with all members of the House, to answer questions and to give a full, detailed explanation of the changes that will be presented.

* * *

[*Translation*]

UNDERGROUND ECONOMY

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of Finance. During an interview, the Minister of Finance clearly confirmed the importance of a flourishing underground economy and I quote: "The Minister of Finance believes what his officials have been saying all along, which is that the black market accounts for 5 per cent of the economy. Paul Martin believes that it is a lot higher than that".

The Speaker: If at all possible, we should refer to our colleagues by using the names of their ridings.

Mr. Brien: Mr. Speaker, I will try again. During an interview, the Minister of Finance clearly confirmed the importance of a flourishing underground economy and I quote: "The Minister of Finance believes what his officials have been saying all along, which is that the black market accounts for 5 per cent of the economy. The Minister of Finance believes that it is a lot higher than that".

Does the minister recognize that the growth of the underground economy, confirmed by a drop in GST revenues during the first half of the year as compared to last year at the same time, is due to the recent increase of the tax burden and the inequities of an outdated taxation system that an increasing number of Canadians are trying to evade?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, it is next to impossible to measure with precision something which by its nature is illegal and beyond the scope of measurement by normal government means.

However there is no question that the underground economy is serious. I have no doubt that my hon. colleague, the Minister of Finance, is quite correct in saying that we are faced with a serious problem which we will address.

I would remind the hon. member that only two months ago, because he apparently overlooked it the first time, I sent him a copy of a press release I issued a year ago in which I outlined a series of measures to deal with the underground economy. I am pleased to report today that the efforts the press release led to have resulted in something in the neighbourhood of three–quarters of a billion dollars in taxes assessed.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, I have a supplementary question for the Minister of Finance who should be more concerned about differences with his colleague, the Minister of National Revenue, than between the Bloc Quebecois and the Parti Quebecois.

Does the minister recognize that only a comprehensive review of the tax system will be able to bring the black market phenomenon under control since, as he admits himself, the new administrative measures brought about by his colleague in charge of national revenue in order to improve tax collection will not be enough?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I believe the hon. member should look a little further into the reason for the level of GST payments to the government.

The fact is that we have had a substantial improvement in the economy, thanks in large part to the measures of my colleague, the Minister of Finance. The result has been more investment in productive goods which indeed are often GST exempt. As a result of that and as a result, I might add, of my department's speedy repayment of certain measures, we are now able to see that the GST level is again increasing.

TRANSPORTATION

Mr. Réginald Bélair (Cochrane—Superior, Lib.): Mr. Speaker, my question is for the Minister of Transport.

Residents of northern Ontario and rural Canada are concerned that major transportation changes may happen in an ad hoc manner. This creates uncertainty for the future.

Could the minister tell us whether he is developing comprehensive rail, air highway and marine policies? Could he reassure the residents that there will be enough time to adjust to the possibility of the changes?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, with respect to the comprehensive review obviously that is under way. I think we have made significant progress on airports. We hope to be able to deal with the ports. Rail is something a bit different.

What has happened to railroading in the country over the last 20 years has literally been done on an ad hoc basis. That is why we are in the trouble we are with abandonment and decisions being made on a day to day basis without any real policy.

We have the Bob Nault task force out there now looking at what we can do with the commercialization of CN. We also have to deal very soon with the unsolicited bid from CP for the purchase of CN assets east of Winnipeg. In that context, with the ongoing consultations we have been conducting with shippers and interested parties we are committed to making clear a very comprehensive rail policy in 1995.

• (1440)

We have not been stopped. We will deal with the CP offer. We will deal with commercialization. We will bring an end to the ad hoc decision making that has been plaguing railroads in the country for the last 20 years.

* * *

CANADIAN SPACE AGENCY

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, recently the Canadian Space Agency gave Telesat Canada $428,000 of taxpayers' money to help stabilize the Anik E–2 satellite.

My question is for the Minister of Industry. By whose authority does the Canadian Space Agency give public money to a private consortium?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the Canadian Space Agency, as other agencies of government, has the authority to expend moneys that are voted to it by Parliament.

In the case to which my friend is referring, I understand the problems that existed last winter with the Anik E satellites were, first, ones of great importance to Canada because they represented a communications vehicle for much of the geographical territory of the country. Second, to try to remedy the problem with the satellites in orbit required efforts that really represented useful research in terms of techniques. It was successful.

The view of the space agency, as it has been presented to me, is that the technology or the techniques that were acquired through the process were ones of value to Canada and within the space agency's mandate.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, what is the point in privatizing Telesat Canada and then continuing to throw public money at it? Telesat Canada is a consortium of the largest telephone companies and Spar Aerospace. They do not need individual taxpayers' money.

I have a supplementary question. Would the minister assure the House that agencies under his jurisdiction would not divert public money to private use without specific prior permission from the minister?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the question is far too sweeping in its scope. I think the member understands—

Mr. Silye: Sweeping it under the rug.

Some hon. members: Oh, oh.

Mr. Manley: Mr. Speaker, the last questioner from the Reform Party wanted ministerial involvement at $15,000. It gets a bit ridiculous.

The member will understand that the direction of funds used in the private sector often through procurement or contracts with government is done with the least possible political interference. That is something I would have thought the Reform Party supported.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, my question is for the Minister of Finance. He was confirming what the Auditor General was saying, that Ottawa does not have any management and evaluation tools. In other words, Ottawa is governing in the dark.

In the same line of reasoning, will the Minister of Finance acknowledge that, as the Auditor General was saying, the government is about to reform social programs without the tools to properly evaluate the impacts of that reform?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Not at all, Mr. Speaker. What I said was that we must absolutely modernize the tools of government.

This is why we asked Ernst & Young for a report, which was handed to us when we came to office. This report is proving very helpful.

I am very surprised that the hon. member does not understand that any modern institution must evolve with new technologies as they develop. I can tell you that, as a government, we intend to use all the technologies available to better manage the country.

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, should we infer from this that the government will proceed with its reform of social programs without evaluating its impacts, simply because the only objective of the reform is to cut into social programs to reduce the deficit?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the goal is clear. The Minister of Human Resources Development stated it repeatedly. The main goal of the reform of social programs is to update them, to deliver the goods in a more efficient way. We must recognize that the world has changed. The Minister of Human Resources Development has recognized it, and I regret that the Bloc Quebecois is still living in the 1960s.

• (1445)

Some hon. members: Oh, oh.

* * *

[*English*]

CANADA CUSTOMS

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the national revenue minister has consistently referred to increasing customs enforcement and yet this weekend the Ottawa *Sun* quoted a Canada Customs official, and I quote: "If the line is too long we get orders just to wave people through. We don't know how many guns or how much drugs we could be stopping".

How in the world can the minister reconcile his boast that his department has a 25 per cent increase in enforcement with that statement from a customs officer on the front line?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, it would seem to me important for the member to compare what might have happened before if he wants to see the impact of a 25 per cent increase in enforcement activities.

I should point out to him also that if we attempted to stop every vehicle and give a complete search, tourism in this country would cease to exist as would trade with the United States.

I should point out to him that we target areas where we feel there is high non–compliance. Therefore, with a number of sophisticated methods of achieving some sort of targeting of high non–compliance areas, we are able to be remarkably effective in the customs work that we do.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, as a result of the boasting about the 25 per cent increase, my office contacted his deputy minister's office asking for a substantiation of the revenue minister's claim. That was just on Friday, so to this point we have not yet received a reply.

Surely the minister would not be making unsubstantiated claims. Therefore, could he share with the House where all these extra customs officials are. Would the minister like to share that with the House or are they like Elvis sightings?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, last Friday I answered a question from the hon. member but his memory appears to be defective.

I pointed out that we do in fact target different parts of the border at different times of the year, depending on demand and that we do alter the mix of customs officers that we have within a region or across the country. I also pointed out to him that for example at the Commonwealth Games we had 65 extra customs people in Victoria brought in from Yukon, Alberta and other parts of British Columbia. We therefore have a sophisticated system whereby we are able to deploy our resources for the best effect.

With respect to the 25 per cent, I will get him the figures that he has requested. I assure him that we have in fact substantially increased customs activities over the past eight months.

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TRADE

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, my question is for the Minister for International Trade.

Bill C–57 seems to prohibit tariffs on supplementary agricultural imports. Without proper amendment this could jeopardize our ability to safeguard supply management as we are committed to do.

Is the minister prepared to introduce the necessary amendments to the Import and Export Permits Act and the Customs Tariffs Act to ensure that the very essence of Canada's supply management system is maintained?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the administration of our agricultural imports under the new tariff rate quota regime will include provisions for supplementary imports for various purposes.

The government intends to consult all stakeholders and determine what steps must be taken to ensure the continued viability of both primary production and processing in the sectors concerned. If necessary, changes will be proposed to the customs tariff to deal with this.

Some hon. members: Hear, hear.

Some hon. members: More, more.

The Speaker: The minister's reading has improved over the years.

* * *

• (1450)

[*Translation*]

SMALL BUSINESS LOANS

Mr. Yves Rocheleau (Trois–Rivières, BQ): My question is for the Minister of Industry.

According to our sources, the $4 billion limit provided for in the Small Businesses Loans Act having been reached, the minister is about to announce an increase of funds available.

Will the minister take advantage of this announcement to fill the financing needs of small businesses by allowing these loan guarantees to be used to finance their working capital?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the member perhaps will know that when the supplementary estimates were tabled an increase in the ceiling on the limits under the Small Businesses Loans Act was included. We will be continuing our consultation with the groups affected by the Small Businesses Loans Act in order to endeavour to make adjustments to the program which will be acceptable to them and which will render the program more fully cost recoverable.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, again to facilitate small business access to financing, is it the minister's intention to respect the red book's commitments and see to it that business owners no longer have to post personal bonds in order to be entitled to loans under the Small Businesses Loans Act?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, if I understand the member's suggestion we should eliminate the obligation to post personal bonds in order to get loans under this program.

[*English*]

I want him to understand that we are going to look, with the assistance of himself as well, at the mechanisms underlying this program and try to find the best possible way to make the program most effective to the largest number of small businesses.

He will understand the cost incurred in doing that is one that has to be recovered. This is clearly the principal program we have for dealing with the borrowing needs of small business. In designing the program we will have to make sure we do it in the most effective way possible to benefit the largest possible number of small businesses.

* * *

THE BUDGET

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, if this government spent as much time figuring out how to cut spending as it does trying to devise new ways of raising and borrowing money, we could have been well on our way to balancing the budget.

This past week the Minister of Finance put out a trial balloon to look at what he called victory bonds. Canada already has 10–year bonds, 30–year bonds, 90–day treasury bills and Canada Savings Bonds, just to mention a few.

I ask the Minister of Finance, why do we need more bonds in our country?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, there is no doubt the government intends in terms of the next budget and in terms of our attack on the deficit obviously to concentrate on controlling government spending. There is no doubt that is where the priority lies.

Nobody should be under any doubt about that. The government did not float a trial balloon. I was asked a question in Toronto, a question that I have been asked in virtually every city I have gone to in the course of the last month, about the possibility of victory bonds following the very generous gesture by Mr. Carl McNeil who gave $37,000 in his last will and testament to the Canadian government.

What I find a little surprising is that the Reform Party would not understand the desire of Canadians to come together and solve this very difficult financial dilemma we have.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the Reform Party recognizes that Canadians want to solve our economic problems. Would the Minister of Finance admit that solving the problem, bringing confidence back to this country, has a first priority and that first priority is an expenditure reduction that eliminates the deficit in this country?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, not only do we recognize that controlling government expenditures and reducing government expenditures are an essential part of deficit reduction, but we also recognize the absolute importance of confidence in the Canadian population, the Canadian investment community. That is why as we see job creation continuing apace we are delighted to see the numbers that came out last week showing business confidence in this country is higher than it has been for a decade.

• (1455)

PARLIAMENTARY EMPLOYEES STAFF RELATIONS ACT

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Prime Minister.

Today Parliament Hill workers were again forced to demonstrate in demanding that the government respect the health and safety of its employees. Parts II and III of the Parliamentary Employees Staff Relations Act would bring workers on Parliament Hill under the legislation of the Canada Labour Code.

I would like to ask the Prime Minister, as I have previously asked the Deputy Prime Minister, why the government has not yet proclaimed this bill to show the respect that it should be showing for its own employees. Why will the government not proclaim these sections?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is for the Board of Internal Economy to look into the matter. It is not strictly a government problem. It is also a House of Commons problem.

* * *

MORTGAGE RENEWALS

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, my question is for the minister of financial institutions. A recent requirement as suggested by the Senate committee on banking, trade and commerce is that we require appraisals of renewals of mortgages.

Could the minister assure us that the government is not contemplating this or, if it is, that the cost of these appraisals will be borne by the financial institutions and not the borrower?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I thank the member for his interest in this subject.

The Senate recommendation reflects a general view that managers of financial institutions require additional information and better information on those subjects. It does not state however that there should be the additional cost of appraisals necessarily in that recommendation. It is one of 42 recommendations by the Senate.

We are going to be looking at all of them very carefully and would certainly not consider implementing any of those recommendations without wide prior consultations with the members of the House and with the public generally.

[*Translation*]

AIDS

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Prime Minister.

The Prime Minister is utterly unable to explain why his government has not even invested all the money provided in the fight against AIDS. He is planning to go to Paris this week to boast about what his government is doing to fight AIDS.

How can the Prime Minister claim that he will make a worthwhile contribution at the international AIDS conference in Paris when it is clear that he is completely ignorant on this issue and himself admits that he cannot say whether his government has adopted a master plan to implement the Canadian AIDS Strategy?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I just said that the government has made a considerable effort in this area and that we want to do more. But what will be discussed in Paris is not the funding that one department or another has but rather what comprehensive solutions all the interested countries in the world can adopt to solve this problem eventually.

I do not suppose that the Prime Minister of France will want to ask me whether 3 or 4 per cent of our budget was spent or not. He will want to know what we want to do about it. I will not go there to discuss his budget. I think that all together, we can map out a strategy to eliminate this scourge throughout the world.

* * *

[*English*]

BOSNIA

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, media reports in Europe and Canada are saying that the American CIA has taken the side of the Bosnian Muslims in the war in the former Yugoslavia.

This U.S. position jeopardizes the UNPROFOR mission. Can the Prime Minister tell Canadians if he has communicated with the American government about these reports? What position has the Prime Minister taken with the United States?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have always made it very clear to the President of the United States and the American people that the position of Canada and other members of UNPROFOR on the ground that we do not think there should be a lifting of the arms embargo and that no one from the outside should participate in this war.

We always made it clear that if everybody on the outside were to mind their own business and let the troops there handle the search for peace the best they can, it would be much better. It is

exactly what I always said and we said to the President very clearly in June, and it is not only the Canadian position but others, that it is unwise to lift the arms embargo at this time. It will not create peace there, it will just accelerate war.

• (1500)

This indication that the embargo may be lifted has just created the situation of war again. Everybody says that if we maintain the embargo and the UN troops there peace will probably come back faster.

* * *

PRESENCE IN THE GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of His Excellency Dr. Milan Uhde, Speaker of the Chamber of Deputies of the Parliament of the Czech Republic, and five parliamentarians who are with him visiting Canada.

Some hon. members: Hear, hear.

The Speaker: I would also like to draw to your attention the presence in the gallery of the Hon. Gary Mar, Minister of Community Development in the province of Alberta.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (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 16 petitions.

* * *

PETITIONS

JUSTICE

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, it is a great honour to present to you today and to Parliament some 4,100 signatures from a petition that has been initiated and expanded at Brockton High School in downtown Toronto near the intersection of Bloor and Dufferin.

This petition was initiated by teachers and students there and then expanded to other schools in the Toronto Board of Education district.

The signatures are very significant because they were collected in a school where the shooting took place of two very dedicated counsellors who were seriously injured but who are now recovering. In essence the petition making reference to illegal weapons and violent incidents is asking Parliament to strengthen existing gun laws, to implement longer and mandatory sentences for people convicted of crimes involving the use of guns, and finally that the flow of illegal weapons coming into Canada be halted.

• (1505)

RIGHTS OF THE UNBORN

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, I am honoured once again pursuant to Standing Order 36 to bring you several hundred names of constituents of the riding of Kent who wish to draw to the attention of the House the following.

Whereas the majority of Canadians respect the sanctity of human life, and whereas human life at the preborn stage is not protected in Canadian society, therefore your petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

SENIORS

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, this petition comes from citizens of all walks of life and all ages. They want to ensure that parliamentarians appreciate the fact that seniors have contributed and continue to contribute to the quality of life of Canadians, that there are growing numbers of seniors, that programs such as pensions and health would experience additional growing demand, that seniors need comfortable housing, social and community involvement and affordable medical care, and that when government is considering changes in programs seniors be remembered.

[*Translation*]

They have contributed much to the quality of life we now enjoy as Canadians.

[*English*]

ASSISTED SUICIDE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, pursuant to Standing Order 36 I have three petitions to present to the House.

The first petition calls on the government to enforce the existing provisions of the Criminal Code prohibiting assisted suicide. It also asks that no changes be made to those provisions which would sanction or allow assisted suicide.

SAME SEX RELATIONSHIPS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the second petition calls on the government to maintain the status quo with regard to same sex relationships.

FIREARMS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the third petition calls on Parliament to refuse to accept the justice minister's proposed anti–firearms legislation and instead insist that he bring forward legislation to fight violent crime.

On behalf of these concerned constituents I am pleased to table these petitions in the House.

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36 I would like to present some petitions from constituents in my riding and throughout all of British Columbia asking that the Canadian government look closely to amend the Divorce Act to allow for standing in the courts by grandparents.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I too wish to present petitions in addition to the thousands that have been presented in the House in support of an amendment to legislation to ensure that grandparents have some entitlement to be represented and to have contact with their grandchildren and information about their grandchildren.

LEADER OF THE OPPOSITION

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I am proud to present this next petition from people in my riding pointing out that the hon. Leader of the Opposition has travelled to other parts of the world to promote the separation of Quebec from Canada.

These petitioners wish to advise the House of Commons and the Leader of the Official Opposition that the majority of residents of Ottawa—Carleton wish to promote Quebec's continued participation in the Confederation of Canada and call on Parliament to inform the Leader of the Opposition that he is not representing the majority of their views.

ADVERTISING FLYERS

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, my third petition is from constituents, over 100 signatures, in support of amending legislation to allow people to refuse advertising flyers at their homes in the interests of the environment, and to return them postage paid to the sender.

FIREARMS

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, pursuant to Standing Order 36 I would like to present two petitions. In the first petition 189 constituents from British Columbia request that Parliament refuse to accept the justice minister's anti–firearms proposals. They insist that he bring forward legislation to convict and punish criminals rather than persecute the innocent.

ASSISTED SUICIDE

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, in the second petition petitioners from B.C.'s lower mainland pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

• (1510)

FIREARMS

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I rise today to present two petitions on behalf of my constituents of Surrey North.

The first petition is signed by 189 residents and warns that the justice minister is proposing unfair anti–gun legislation that will do little if anything to reduce violent crime in Canada.

The petitioners feel that this legislation will simply restrict or eliminate the rights of honest law–abiding hunters and target shooters. The petitioners request that Parliament call on the justice minister to bring forward proposals that will enable the police and courts to deal quickly and firmly with perpetrators of all types of violent crime.

YOUNG OFFENDERS ACT

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, the second petition is signed by 176 residents and draws the attention of the House to the rise in youth crime, the lack of deterrents and accountability in the Young Offenders Act, the fact that the Young Offenders Act does not address the rights of victims and encourages the recruitment of youth by adult offenders, and that the present sentencing provisions of the Young Offenders Act ignore public support for tougher laws.

The petitioners therefore call on Parliament to urge the government to review the Young Offenders Act and address three principles: the deterrence of the offender, the accountability of the offender, and the rights of the victim.

SEALS

Mr. Russell MacLellan (Cape Breton—The Sydneys, Lib.): Mr. Speaker, I would like to submit three petitions on behalf of my colleague, the hon. member for Cape Breton—Highlands—Canso. They relate to the devastation of the Atlantic groundfish industry caused by the seals and the fact that the seal industry has declined because of the European attitudes toward seals.

Now that the groundfish stocks have declined, they urge the government to recognize the opportunity presented by the huge seal populations and designate herds for use as viable entrepreneurial resources.

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Question No. 74 will be answered today.

[*Text*]

Question No. 74—**Mr. Leroux (Richmond—Wolfe):**

How many public interventions have been made by current federal cabinet ministers in connection with the Meech Lake accord and the Charlottetown agreement, how many have there been in favour of the Meech Lake accord, how many were against and who gave them, how many have there been in favour of the Charlottetown agreement, how many were against and who gave them?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): The Government's administrative responsibilities began on November 4, 1993. In the period since that date, constitutional reform has not been part of the government's legislative or policy agenda, nor has it been discussed with the governments of the provinces, with the exception of the bilateral amendment to the 1873 Terms of Union with Prince Edward Island respecting a fixed link between the Island and New Brunswick. The amendment was proclaimed on April 15, 1994.

[*English*]

The Acting Speaker (Mr. Kilger): The question enumerated by the parliamentary secretary has been answered.

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

The Acting Speaker (Mr. Kilger): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

BUDGETARY POLICY

The House resumed consideration of the motion.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, when we left off before question period, I was saying a few words on regional economic development and the importance of consulting.

I would like to expand upon the significance of the consultations that will be conducted across Canada. I think that the first point we should recognize—and I think this is a common theme for all members of this Parliament—is the urgent need for new job qualifications.

There is a second one: How to adapt to changing world conditions. The third point would be to redesign the role of the State; fourth, to put the economy back on track and, fifth, create a better, sounder economic climate.

The purpose of these consultations is obviously a thorough examination of where this Canadian federation is headed, where the government of Canada is going and how we can contribute to the development of our region, including the riding of Bonaventure—Îles–de–la–Madeleine.

The first theme, for example, is about acquiring skills. I think it is important to recognize that, in my region and in Quebec in general, many young people do not complete Secondary V, that the government has an important role to play to encourage not only young people, but also education institutions and the private sector to become partners in giving a boost to youth education, as this is the only way out.

As for the second theme, namely adapting to a changing world, it is obvious that the world is very different today from what it was between 1945 and 1960. Today, we recognize the emergence of countries such as Korea and Taiwan.

• (1515)

I was not talking about Japan or China, but we are certainly living in an era of market globalization. This requires not only a lot of thinking but also a great deal of preparation. I think that if we as Canadians, especially those in the regions, want to become part of the new global market, we must equip ourselves.

Above all, the federal government wants Canadians to think up ways to make the most of these global markets.

The third theme is rethinking the role of government. Back in the days before deficits, the government could do anything. In fact, all levels of government—federal, provincial and municipal—never hesitated to take action to help the people, to tell them what to do and how to do it.

In the regions, for example, programs were introduced by the Government of Canada in co–operation with the Quebec government and the local authorities. They did not always succeed. True, a number of them failed. Unfortunately, these old formulas obviously no longer work. That is why we are seeking a new approach, or a new partnership.

When we ask the government to act at the local level, it is mostly to encourage small business to create jobs. It is no longer up to the government to do that. We have to find the financial resources, the financial levels to encourage small businesses to take themselves in hand, to consult the people around them, to set a local policy in line with the provincial policy and a Canada–wide national policy.

I think it is important to underline the Canada–wide aspect because many of Quebec's exchanges depend on Canada as a whole. I think that Quebec is very dependent on a healthy, vibrant Canada with an ever–growing economy.

If we promote the separation of powers or if Quebec leaves the Canadian federation, it is likely that a Canada divided from East to West with its Quebec cornerstone missing will surely experience medium and long–term problems.

It is in the interest of Quebecers, and even in the interest of the opposition, that Quebec remains a vibrant part of the Canadian federation.

The opposition talks about putting the economy back on track and restoring confidence among business people. But let us not forget that this confidence can only exist if Canada remains a united country. The opposition keeps saying that the Canadian federation no longer works; but Canada is a member of the G–7. I know that we are experiencing economic difficulties, but Pierre Bourgault said not too long ago that Quebec's separation would be costly, even if it helps promote sectors others than the economy.

According to Mr. Bourgault, a staunch nationalist and the founder of the RIN, Quebecers will be worse off if they become independent. What do we propose in terms of consultations to reform the federation? After all, the Canadian federation allows administrative agreements. There are hundreds of such agreements with the provinces, including Quebec. This is what federalism is all about and let us not forget that because it is the only solution.

My time is almost up, but I would like to say a few words about the new tax measures, not only between the federation and the provinces, and I think we can redefine existing arrangements and find an adequate process at the regional level. In fact, this was done numerous times at the regional level, including in the Lower St. Lawrence region and in the Gaspe peninsula, thanks to the direct involvement of the federal government.

I should mention the Eastern Quebec Development Plan, as well as the initiatives taken by the Federal Office of Regional Development for Quebec, which is under the Minister of Finance's authority. Thanks to their specific and direct actions, small businesses were often able to get back on their feet, to expand and to gain access to markets not only in Quebec and in Canada, but also overseas, including in Europe and, recently, in Asia.

• (1520)

It goes without saying that the tax measures to be proposed will be based on this comprehensive consultation exercise, which will include everyone, including urban and rural dwellers, members of the opposition, academics and business leaders, and which will ensure economic recovery for Canada. It is not good to hear that Quebec can separate and go it alone. In fact, the contrary is true and Quebecers are aware that our federation has worked well for 125 years. We can get along and we can develop a lasting economy. I also believe that we will enter the next century united, together. Only through the Canadian federation will Quebecers make it.

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I listened very attentively to the hon. member's comments. I was most interested when, speaking about SMEs, he said that we should promote a climate of confidence to allow SMEs to invest and create more jobs.

Here is my question. About 15 days ago, in the shadow of Parliament, a committee unknown to most of my colleagues opposed a plan by some Liberal members that would have created uncertainty about possible pharmaceutical investments. It was about the former Bill C–91. I would like to know what the member for Bonaventure—Îles–de–la–Madeleine thinks about these investments which are not being made today because of the uncertainty created by the government. This costs a lot in money, millions of dollars, and some very well–paid jobs are at stake.

Mr. Gagnon: Mr. Speaker, I believe the member opposite understands pretty well what is at stake here. The contribution of the federal government in Quebec, especially in the pharmaceutical industry, has been quite obvious.

First there was Bill C–22, then Bill C–97, and I think that there is still a commitment to maintain this policy, as stated in Bill C–91, in the pharmaceutical industry in Quebec.

There is no doubt that Montreal's economy depends a lot on these technologies. The opposition is finally recognizing that, with this federal policy, we have been able to concentrate this high–tech industry in Montreal and in the province of Quebec.

Of course, if Quebec were to become independent or to secede, these companies would most probably decide to leave Quebec and settle elsewhere. After all, the main concern of these companies is, first, to enjoy a climate of confidence, but also to have the assurance that the federal government will protect their market and maintain the criteria that are so important for the pharmaceutical companies that want to stay in Quebec to grow and prosper.

The issue of confidence should not be overlooked. Any investor would tell you how important political stability is. The industry needs to know that the country will support it, in spite of all the problems we have. As you know, we went through some tough times after the Second World War, when the debt level per capita was very high in Canada, but we came through. The people looked to the future with confidence. They saw there was a lot they could do together. However, by dividing Canada, with Quebec going its own way, we will unfortunately lose not only some tax benefits similar to those provided for in Bill

C–91, but also the advantage of belonging to an economic partnership that has, in fact, proven itself.

• (1525)

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I would ask the hon. member for Bonaventure—Îles–de–la–Madeleine, who is so concerned about the economic development in Quebec, in Canada, even throughout the world, if he is equally concerned about the economic development in the Magdalen Islands. I would like to know if he is at all concerned, for example, by what was reported today in the editorial pages of his local newspaper, that is, that the Minister of Environment appeared all confused on TV about the *Irving Whale* story, saying that both the booms and the boat needed to scoop up the oil in case of a catastrophe were also at the bottom of the water.

Is he not concerned to see that his minister does not seem to understand this issue which is so crucial for the economic future and tourism of the Magdalen Islands, a situation which could cause one of the worst ecological catastrophes in the area, and should he not see to it that the *Irving Whale* be refloated in a more competent manner than that described by the Minister of Environment? I am wondering if he is really concerned about economic development or if he is content to merely repeat day after day in the House the rhetoric and buzzwords he has memorized, along with some rather strange items.

So, I put the question to him, because I think that what is happening in the Magdalen Islands is very serious and that he should take his work seriously and not only make beautiful speeches he has learned by heart. The issue of the *Irving Whale* is a serious issue for the people of the Magdalen Islands and for all Quebecers. So, what does the hon. member answer to that, Mr. Speaker?

Mr. Gagnon: Mr. Speaker, I am glad to see that at last the opposition shows some interest in the regions, especially the Magdalen Islands. I wish to inform the hon. member that it is Patrick Gagnon, the member for Bonaventure—Îles–de–la–Madeleine, and my colleague from Malpeque who informed the media of the importance and the danger of the *Irving Whale* even before the Minister of Environment knew about it.

The environment minister, the transport minister and the Government of Canada gave their support. They recognized that it was important to raise that ship which sank about 20 years ago. You can be sure that I personally am perfectly aware of the importance of refloating that wreck. But anyway, I thank the member opposite for showing interest because we must not forget that it is no thanks to the Bloc that the operation went ahead, or that we could interest the federal government in that wreck.

We took action. I consulted with my colleague from Malpeque and the people last February and believe me, the priority of the member for Bonaventure—Îles–de–la–Madeleine is not only the economic development of the islands, but also the integrity of their environment because I think that it is shared by everybody. Despite the opposition's denials, the government takes care of its business and, unfortunately, the opposition just discovered a threat to the environment that has been there for some time.

It is unfortunate that the opposition did not co–operate with us during the consultations. All it could do was find fault and play petty politics at the expense of the Magdalen Islanders and the environmental health of the islands.

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I will try to be brief even though there are many things I would have liked to say. First of all, with all due respect, I would like to tell the House that it is not the member for Bonaventure—Îles–de–la–Madeleine or the member from Prince Edward Island who alerted the medias. It is the veterinarian in the Magdalen Islands who made the public and the government aware of the situation.

The second thing I would like to say is why did the government not conduct a public hearing on this matter? The member took it upon himself to act in this regard and then the minister made the announcement that there were two or three projects to raise the *Irving Whale*.

• (1530)

But what the public wants is for the hold of this ship to be emptied in order to prevent a disaster. The federal government's mandate with regard to regional development is to ensure that our water is clean so that tourists will continue to come and enjoy the beaches in the Magdalen Islands. That is what regional development is all about.

Mr. Gagnon: Mr. Speaker, I think my colleague and I are very sensitive to the environment in the Gaspé Peninsula and the Magdalen Islands. I must tell you something. I came here as a member of Parliament on November 1. In the first week of February, just two months later, I organized town hall meetings in the Magdalen Islands and in Prince Edward Island. I think I carried out my duty as a member of Parliament to defend and promote the interests of my constituents. Surely, I am the most directly concerned and would want to be the first to know, if something went wrong with that operation, that we will be made aware of the fact.

In conclusion, we consulted with the population. It is true that others showed us that there was a problem. But the issue had been talked about for some twenty years in Prince Edward Island. It is thanks to the co–operation from the Magdalen Islands and Prince Edward Island that we will raise the *Irving Whale*, and thanks to this Liberal government and also, obvious-

ly, thanks to the support of the responsible ministers we have here.

[*English*]

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I appreciate the opportunity to enter into this debate.

Over the last month dozens of Canadians have come before the finance committee to tell us what their priorities are for the next budget. Just about every conceivable position has been expressed as to what should and should not be done. The prebudget consultations have demonstrated one very important point: that a consensus does exist among Canadians on the need to eliminate the deficit. It is no longer a question of whether, it is a question of how and when.

Last week I and one of my colleagues did something unique. We asked to make a presentation to our own committee. In that presentation we laid out a very clear goal to eliminate the deficit over a three year period. We listed 25 specific examples of expenditure reductions or cuts that could be made in order to move toward our goal.

We did not attempt to hide the truth from Canadians in a political or any other way. We levelled with them and told them this would mean cuts of approximately $25 billion after a revenue growth of some $15 billion to $16 billion to reduce our $40 billion current deficit. That would mean that $12 billion to $16 billion, most likely $15 billion, would have to come from social programs over a three year period, not all in one year but over a three year period.

We did not have to do this. We did not have to use this approach. Politically it would have been a lot easier to say nothing and then criticize the government when it released its budget. This is what most opposition or traditional parties have done over the years in their adversary role. That is the kind of game which is usually played. I am sure the members of the government who were in the last House were the best players in that type of game.

Reform members did not come to Ottawa to play games. Our country's finances are too important. They have become our number one priority in our pursuit and our objective in this House of Commons and in this term of Parliament. We came here to change the way politics are done in this country.

The proposal we made to the committee was not a superficial one. We began working on this project immediately following the government's last budget. Over a period of nine months the critics in the Reform Party have reviewed every government program in their area of responsibility. They have weighed those programs against five basic principles that were articulated in our presentation. This represents our best effort in proposing a constructive alternative to the government's fiscal agenda.

In the 10 minutes I have at this time I would like to look at the government's reaction to this presentation. In particular I want to address two specific criticisms that were levelled against us by government and other members of the finance committee. It is important to talk about these criticisms because they go right to the heart of what distinguishes the Reform Party from the governing party.

• (1535)

First I would like to address the question put to me by the member for St. Paul's who simply asked where I was coming from. That was an easy question. Our proposals and recommendations are driven by our conviction that the government's plan to reduce the deficit to 3 per cent of GDP by 1997 will not be enough to control or regain the control over our debt. We recognize even in the 3 per cent program the accumulated debt at the end of three years will be far over $600 billion.

What I think he really meant to ask was not so much where the Reform Party was coming from as where it is going. Everyone recognizes that eliminating the deficit in three years is not an end in itself. It is a means to an end. What is that end for Reform? What is our vision of Canada?

Surprisingly in comparing what the government said in its grey book to what Reform said in its presentation to the finance committee not much difference will be found in terms of their fiscal and economic analysis. In fact the government's grey book is probably closer to the Reform position than it is to the red book that the Liberals campaigned on in 1993.

However there are some very fundamental differences in terms of our perspective of Canada. Reformers argue for less government involvement in the economy, for lower taxes, and for giving greater flexibility to local and provincial governments. The Liberals we believe are afraid of these proposals. Why? Where Reformers believe in empowering people, the Liberals still believe in empowering the bureaucrats. Where Reformers place their faith in individuals, the Liberals still place their faith in government. While the Liberals do not seem to think Canadians can take care of themselves, we believe they can.

While it is important to know what Canada's political parties believe in and what their vision is, they should not distract us from the more immediate problem, one which has nothing to do with partisan affiliation or political vision: the problem of our debt. It is a major problem.

The debt is sucking the life out of this country. It is killing jobs. It is killing innovation and entrepreneurship. It is killing our social safety net and our health care system. It does not care about politics. It does not set priorities. It does not discriminate against one problem or favour another. It is an equal opportunity killer and it will kill this country unless we do something to stop it. If we do not deal with the debt before our creditors deal with us, then Canada as we know it will cease to exist.

This brings me to the second criticism of our presentation. This one really upsets me. It was the contention that our 25 deficit cutting recommendations and the $12 billion to $16 billion of social program spending must be cut over the next three years. Committee members and others have said that somehow this is an abdication of our social responsibility to Canadians. Nothing could be further from the truth.

Reformers did not come to Ottawa to take away the bread from starving children. We did not come here to dismantle social programs and leave the vulnerable and the unfortunate in our society unprotected and uncared for. The debate is over how and when to eliminate the deficit. It is not about which party cares the most for Canadians. We all care. The debate is about doing what has to be done. The Reform Party is not going to apologize for telling Canadians the truth.

The truth is that social programs will have to be cut. The some $67 billion expended in that area will have to be reduced to some $50 billion to $60 billion whether we like it or not. If our social safety net collapses because of the failure of the government to plan for the future and doing what has to be done now, those most vulnerable will be the first to suffer and will suffer the most.

• (1540)

Members of the government say it is Reformers who have abdicated their social responsibilities to Canadians, but who has been in power for over a year and done nothing in that time to deal with the debt that is killing this country? In three years this government will have allowed our stock of debt to grow by another $97 billion. If Canada hits the wall, whose conscience will that be on? When international creditors tell the Canadian government and I say tell, not ask, who will be responsible? When international creditors tell a future Canadian government that they will only lend it money if it slashes every program across the board by 30 to 40 per cent, then who will have abdicated their social responsibility to Canadians?

At the present time we have been given an opportunity to put our fiscal house in order. While I do not pretend in any way that this will be easy, there are promising signs. The economy is expanding and Canadians from coast to coast have been telling us they are ready for the cuts. Some will debate whether or not this is Canada's best opportunity to eliminate the debt. I believe this is the proper time to do it.

We have a very simple choice: Either we decide where and how we will cut or somebody will decide that for us. If the government allows the latter to happen, it will be no consolation for me to point out which party truly abdicated its social responsibility for Canadians.

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, does my colleague not think that if we cut government spending too quickly given that government spending makes part of overall aggregate demand on the economy that it would slow down growth and perhaps put us into a recession?

Mr. Speaker (Lethbridge): Mr. Speaker, as Reformers we do not believe that. The total gross domestic product of Canada is around $750 billion. Out of that gross domestic product we intend to take out in terms of debt reduction or expenditure reduction some $25 billion in total.

That is somewhat of a hiccup in the total overall scene. We do not think it will have a significant effect on any kind of economic growth. We do believe that type of action will create confidence in the economy, more growth in the economy, more job opportunities and certainly it will be better for Canada as a whole on a longer term.

Ms. Catterall: I rise on a point of order, Mr. Speaker. I do not want to interrupt questions and comments for which there is still some time remaining but I did want to inform you that the next government speakers are the member for Elgin—Norfolk and the member for Notre–Dame–de–Grâce. I would like to give notice that pursuant to Standing Order 43(2) these two members will be dividing their time.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, when I hear the hon. member for Lethbridge say that his party is dedicated to helping the most vulnerable, I find that hard to believe, considering what was said on the finance committee by him and his colleagues about the Maritimes, Quebec, Ontario or western Canada. It is nonsense. It makes no sense at all to say that we should cut $16 billion in our social programs in the next three years, to help the most vulnerable. This is a complete distortion of reality.

They are not describing reality. They are distorting reality. When they say to the government that the only way to clean up our public finances is to cut unemployment insurance even more than the government has already done, and that it should do the same with the Canada Assistance Plan, post–secondary education and programs for senior citizens, is that what helping the most vulnerable means? Is that concern for social justice? On the other hand, when we talk about inequities in the tax system, they will not listen.

• (1545)

That is the extent of their real concern for the most vulnerable members of our society. Their only concern is that the privileges of very rich Canadians and very big corporations, despite the tax inequities applying to both groups of taxpayers are concerned, should be maintained. That is the only issue of interest to them in this debate.

[*English*]

Mr. Speaker (Lethbridge): Mr. Speaker, in reply to my hon. friend from the Bloc Quebecois I want to say that our philosophies differ completely. There are two ways to approach the economic problems of the country, the major debt, a deficit every year of $40 billion and a growing deficit under the 3 per cent plan of the Liberal government. One is to be fiscally responsible and try to live within our means. The other is to increase taxes.

Since coming to this assembly I have learned that the Bloc Quebecois uses a socialist, NDP approach to resolve economic matters. Those members should be telling Canadians—and I hope Canadians hear this—that they want to increase taxation. They do not want to reduce expenditures in a responsible way. They believe there is some rich person out there who will fill the revenue coffers of the country so the government can spend more. We in the Reform do not believe that; we absolutely do not believe it.

We believe Canadians want more independence. They want to be free to spend their own money. They want to be able to have more capital so they can invest in their own future and their family's future. They want to be rid of government, to have less government. That is the best approach to dealing with our deficit and other economic problems.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise today to address the economic policy of the Liberal government which regrettably, like those before it, has failed to take the necessary steps to deal with the severity of our fiscal crisis, leaving Canada and Canadians on a track destined to bankruptcy.

While in opposition the Minister of Finance stated in his 1993 Tory budget response:

> What is most astonishing about this budget is that while Canadian taxpayers seem willing to directly address the deficit, the Minister of Finance instead served them a rehash in a context as to make everyone dream.

He went on to say:

> The Liberals propose to confront this challenge head on.

In his first budget the Minister of Finance joined the distinguished club of 20 years of finance ministers that failed to deliver what they promised in opposition.

The interest payment to service our national debt is now the largest single item in federal expenditures and is placing a major squeeze on the availability of funds for program spending. In 1981 each Canadian's share of direct federal and provincial debt was $4,500. Today that share per capita is over $25,000. Before a single dollar of income is redistributed, before a dime goes to social programs, before a penny is spent on any other government program, $2,200 must be paid yearly in interest for each and every person in Canada.

The sad part is that we are borrowing the money to do this, which simply adds to the overall size of our debt and our problems. The fact is that the current spending policies of the Liberal government are an immediate threat to the national well–being of all Canadians. The Liberals have admitted that by targeting the deficit to 3 per cent of GDP per year they will add close to $100 billion to the debt. How is that solving the problem?

By continuing with the philosophy of tax and spend the Liberals have changed nothing in the House but the seating plan, from this side to that side, and the faces of ministers. The cornerstones of our society like health care, education and the social safety net are in jeopardy because Canadians are forced to borrow $89 million per day or $625 million every week to finance the debt.

If the Minister of Finance truly believes this is fulfilling his promise to break the back of the deficit and attack it head on, I suggest he is incompetent. Double talk and inaction in the situation are inhuman. It is a great disservice to the country to play games with other people's money, tax money.

• (1550)

Our economy and incomes have consistently grown more slowly than our debt. We are now borrowing to pay the interest on our debt. This is not a sustainable situation. We are spending our children's and grandchildren's money. We are mortgaging their future at an alarming rate. I heard a baby up in the gallery this afternoon. That baby will have to repay the money that we borrow and are spending today.

Do our children have a say in how we are spending their future earnings? Does this not bother members of the Liberal government? When they go home tonight I suggest they look at their children and their grandchildren and think about what their lives will be like with carcass–like social programs. They were lost by a government that borrowed them into extinction.

The time to act is now. The government should priorize its spending. If health care is number one then it should make health care number one and stop cutting the share of annual transfers to the provinces. If the social safety net is number two then those programs should be restructured so that they are targeted at those who truly need them and not everybody and anyone.

It is all about common sense. Families have used it for years in their budgets and members of Parliament obviously used it to run their homes. Why is it that when they get to the House they forget about that? Why is it that they do not do it when they are in government and are ministers of the crown? Why do they not operate like they do at home when it comes to government moneys from taxpayers? Can they borrow money on their homes on which they have mortgages to make the interest payments? We both know the answer is no. The bank would repossess the house. Somebody is going to repossess our country and we

should do something about it before somebody takes it away from us.

Let us live within our means. If the federal government only has $126 billion in revenues, we should not be able to spend any more than that amount. What is so hard about that to understand? Why do we continue to fuel the debt by deficit spending all the time? Why do we not start on a curve where we live within our means with the money we know we can generate safely in the country from a strong economy and send the right signals and messages to investors and other countries?

Let us use Liberal ideology and take a walk into the future. Let us take a little walk through the Canada of the future under the Liberal government as though it were a house. First, the house would be mortgaged to the tune of $650 billion. This is just in a couple of years. The welcome mat would be subsidized. As we walk in, the first thing we would notice are the third rate snowboots and snowsuits hanging by the door. This is because corners had to be cut in the family budget to meet the mortgage payments and excessive taxes levied by the government.

That is okay because we notice that everyone seems happy as they huddle around the television to watch whatever magic the high salaried executives at CBC have conjured up that particular evening with our tax dollars.

Next we walk into the kitchen and notice grocery bills stuck on the refrigerator door. We are surprised at how expensive groceries are these days, but at least the Liberals kept their promise and killed the dreaded GST. Oh, wait, what is that we notice on the bill? Is it a national value added tax of 15 per cent? Disgusted, we turn around and notice a book of home remedies on the kitchen table and realize that Liberal cutbacks in health care have truly started to hit home.

At least after years of paying into the system we think to ourselves that the parents will have their RRSPs to fall back on. But, wait, the Liberals slowly eroded those programs through taxation and on capital gains too. What about the CPP? There is not enough money in the program to cover the revenue shortfalls.

With the current spending practices of the government this type of Liberal house is not that far–fetched. I do not want to live in it and that is why I am here speaking about the problems in the country and offering some solutions on how to solve them. Nothing less than a balanced budget in three to four years is acceptable. By adopting this Reform recommendation the new type of home we would find in Canada would be a big improvement over the Liberal version.

Let me review four advantages and benefits to all Canadians of a deficit elimination program. The first one is a smaller mortgage for the country of $580 billion versus $650 billion. That is significant. This means we would have affordable housing where we could start making interest and principal payments and over the term of 30 years pay off our debt. This is how we have to do it with our family homes.

Second, to balance the budget a full program of review would be required. It would allow the government to right size government operations. However it is not doing that. If it did a proper review instead of consulting special interest groups across the country, government departments would have to recommit to the good programs; decentralize some programs to eliminate duplication of services, thereby lowering costs; privatize some corporations which are better served by the private sector; and eliminate programs that on a priorized basis we either do not need or cannot afford.

• (1555)

This would enable us to determine what amount of money we need to raise as a federal government. Then we could lower the taxes. There would be savings under the process. That is the benefit to Canadians, the biggest benefit of all. We would be leaving money in the hands of the people who earn it and know how to spend it better than the people who come into the House and lose their brain power.

Increasing the wage earner's disposable income would kick-start the economy and would continue to fuel the current economic recovery rather than hurt it. Following the Reform recommendations would restore pride not only in ourselves but in our government.

This is at a time when politicians and governments are coming under the closest scrutiny by taxpayers, by editorialists and by people who know the problem is overspending. If the government does not get its spending under control the politicians in this room will lose the faith of the people which will slowly erode our political system.

Another advantage to following the Reform recommendations is that we have a solution for the province of Quebec. Our home includes Quebec. It includes the opportunity to get the best deal we can in Confederation without breaking the country apart, without tearing at the guts of the economy and without going into all the uncertainties that separation so–called provides in opportunities for Quebecers.

It is a very touchy subject. National unity is very important and I believe in the Reform economic program of deficit elimination. That is the difference between our proposal and the Liberals' so–called tough talk. It is all talk and no action. They are not solving the problems. They are just adding gasoline to the fire when trying to put it out. By increasing the debt they are hurting us. By increasing the debt they are increasing our problems.

We say we should get to a balanced budget within three years. There would be no more deficit annually. We would have a fixed debt or mortgage on the country. Then we could start addressing the amount of money spent, start creating a surplus and start making principal and interest payments on the home of which we are all so proud. We want everybody to continue to share the

benefits, but we cannot continue to do it with borrowed money and more borrowed money and adding to the debt.

The Liberal government should listen. We have been constructive. We have given it advice on where to cut and how to cut over a three–year period, and not in one year like it accuses us. Governments members like to play politics and we like to offer constructive solutions. It is time for the Reform type of house.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I thank the hon. member for his comments. Throughout listening to him I was mystified because he talked about specifics and the need to be specific. I did not hear him give one concrete proposal on where to cut government spending.

I wonder if the hon. member would come across and be clean about it. His arguments are sound but let us talk about something specific. Let us talk about the cost of operating the civil service. We have a combination of federal and provincial government employees amounting to about 886,000 people. The Canadian Federation of Independent Business tells us that on average they are paid something like 20 per cent higher than similar private sector wage earners.

What is the member's proposal to deal with that kind of problem? Does he propose laying off civil service workers? What is his concrete proposal?

Mr. Silye: Mr. Speaker, as I said in my speech, this is what the Liberal government is doing. It is playing games. It is playing politics. All it wants to do is talk, and no action.

The member for Durham stands and asks for specifics. If he were paying attention in the House instead of having his nose buried in the red book, still trying to find out what he promised during the election, he would know that on Friday last week we filed in the standing committee a report of 25 specific cost cutting measures that would benefit the country and Parliament if the Liberal government were so wise as to listen to us, take what we suggest and implement it.

• (1600)

We have been very specific. To go through that in the time allotted to me in questions and comments would be repetitive. As the Prime Minister likes to tell us, read the red book. It is there. I would like to suggest to the member for Durham, read the report of the Standing Committee on Finance on budgetary policy that has been submitted by my colleagues. He will see that we have been very specific.

On the other item, getting specific about the public service sector, is that what the government is worried about, what the government employees in the bureaucracy are going to think of it, that it is not going to get re–elected, that it is not going to get votes? This is what we are sick and tired of in this country. That is trivial.

In addressing the public sector the amount of money is trivial compared with the overall problem of this country and the billions we waste in direct subsidies to businesses and the billions we waste on foreign aid.

In the one minute left to me, I would like to make one more comment. If we get our government spending under control we could then take a look at that abomination called the Income Tax Act and we could introduce a flat tax that would have a single rate for businesses and corporations. There is a member of the government who has made that suggestion. That government is so ignorant of the solutions for this country it will not even listen to that member. I am disappointed.

The Acting Speaker (Mr. Kilger): Clearly the member for Calgary Centre underestimated how much time he had left because I have time to give another question, this time to the hon. member for Saint–Hyacinthe—Bagot.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, there are people here who are indulging in petty politics, and I am referring to the Reform Party. The Reform Party distorts all the proposals made by the Bloc Quebecois, which were about cutting the fat from government operations, the recovery by the federal government of $8 billion worth of accounts receivable classified as bad debts, which the Auditor General mentioned last week, and cutting into the $3.3 billion worth of subsidies to corporations. You never hear the Reform Party talk about that. Do you know why? Because they are both judge and jury. They have a vested interest.

There is a question I would like to ask them. I will read them something in English, because I think it is significant, and I will then do a proper translation. I would like to ask them whether they agree with an ad that appeared last week, which I found with the help of Léo–Paul Lauzon, the well–known tax expert. It says more or less the following in English, if you will excuse my heavy accent:

[*English*]

"Fiscal loss to sell. Our client, a cosmetic distributor, has important fiscal loss and he is looking for a buyer who is interested in using this fiscal deduction. Please call the following number".

Do you agree with this practice?

[*Translation*]

Is that why they will not look at the tax treatment of corporations, why they will not consider raising taxes, why they will not consider improvements so that everyone, individuals, corporations and SMEs, does their share? If their minds are closed to such suggestions, then they are doing the petty politicking, and they have no interest in the future of Canada, although they claim otherwise. They are doing the grand standing, in other words.

[*English*]

Mr. Silye: Mr. Speaker, we are very definitely interested in helping Canadians solve their problems. The difference between the Bloc Quebecois and the Reform Party is, after having worked with the hon. member in the Department of Finance, that when it comes to cuts it does not want to touch or look at social program spending whatsoever. That is a sacred trust to the Bloc Quebecois. It does not want to reduce one dollar of spending in that area. That represents 67 per cent of its overall budget. If it does not address its complete budget and only makes cuts out of the remainder of the 33 per cent, it is limited to how much it can cut. Social spending has to be addressed as the Liberal government has proposed in its grey book. It is important to discuss and it is important to do something about it.

The difference is that we are prepared to look at social program review and recommend some cuts but the Bloc is not. When it comes to taxation we say no increases in taxes. It says there is room for tax increases, go after the family trust, go after the RRSPs, go after all those wealthy people in our society and that will solve the problem. Those are the differences.

• (1605)

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, let me begin by saying that I agree with my colleagues in their concern for the debt and deficit. The deficit has reached a crisis proportion. I also agree with their concern for children.

I believe that we must move urgently to balance the budget but we must not use the budget crisis to deal with other pressing problems.

I commend the government for its commitment to lower the deficit to 3 per cent of GDP within three years of taking office. Believing that this goal is achievable, I also urge the government to move to balancing the budget in as short a time as is reasonably possible thereafter.

Some people ask why is the debt a problem. Annual interest on the debt is $44 billion; that is $44 billion that we do not have to spend on education, industrial infrastructure, research and a host of other important programs. Just as serious for more subtle reasons is the fact that the debt drives up interest rates for everyone.

Because of the size of our debt international lenders demand and receive a risk premium to hedge against a potential drop in the value of the Canadian dollar. This risk premium or extra cost affects the whole market for money and the cost for borrowing consequently is reflected in it. Consumers, homeowners, students and all other borrowers also pay this premium.

The size of our debt makes our nation extremely sensitive to a rise in interest rates in the United States. Canada is forced to pay a premium over American rates in order to attract foreign capital. When rates go up in the United States we have no choice but to raise them in Canada. Thus our sovereignty has been severely curtailed as we lose control over our monetary policy.

We are hampered from finding made in Canada solutions to Canadian problems. Losing control over our economic house diminishes our nation and everyone in it. All we can do is hope that international forces co–operate with our deficit reduction program.

Furthermore, as bad as our situation is now, it will be much worse if we do not act now with discipline and resolve.

Having outlined my views on the seriousness of the problem, I would now like to address the solution. The following remarks can be entitled a good way to balance the budget versus a bad way to balance the budget. Everyone agrees that government should cut waste. Cutting waste is a good way to contribute to balancing the budget. More often than not waste is designed right into programs and as such is not so readily apparent.

For example, the coast guard, Transport Canada and fisheries and oceans maintain separate fleets with overlapping duties. My own riding of Elgin—Norfolk covers approximately 100 miles of Lake Erie shoreline. One of the harbours in Port Stanley is operated well by Transport Canada. The other smaller harbours are managed by small craft harbours of fisheries and oceans. These harbours are often neglected due to shortage of funds. Regardless, we have two sets of bureaucrats managing a similar resource side by side. I would like to suggest that a single authority could manage the Lake Erie shoreline, do a better job and do it cheaper.

The military has recently been highlighted as having some waste. In the past this waste was designed in as we kept bases open only for political need rather than serving military purposes. While this is starting to change we need to go further to identity waste.

We spend large sums of money on high tech advanced equipment such as the CF–18. The CF–18 is not used in peacekeeping but would be used in the unlikely event of the breakout of world war III or as a token contribution to a gulf war like crisis.

Canada is currently the 12th largest military spender in the world. I believe we can cut military spending and find a large peace dividend, all the while maintaining our contribution to peacekeeping and our security needs.

The reserves offer great potential for a cheaper alternative to CF–18s and other high tech expensive weapons. In my riding the Elgin regiments have contributed nine people to the army who are now currently serving in Bosnia. These young men offer skill and commitment that represent a great value for dollar as citizen soldiers. Unfortunately the reserves often appear to be under equipped and generally under resourced.

I would now like to speak for a short while on tax policy. I accept as a given the government's apparent indication that a general tax increase is not in the cards. Certainly the middle class of this country will not tolerate a general tax increase. However, I need to point out that within this country there is a great inequity of income. The top 20 per cent of income earners receive over 44 per cent of national income annually while the bottom 20 per cent have approximately 2.7 per cent of national income. It is within this context that fairness in tax policy needs to be considered. There is nothing contradictory in fair taxation and deficit reduction. An increase in taxes on the top 20 per cent of income earners in this country I believe would entirely appropriate at the current time.

• (1610)

Furthermore, the government should look at tax expenditures. The government forgoes $860 million by not taxing lottery winnings. This should be changed. The marriage credit costs over $1 billion. The government should design it so that it benefits the lower and middle class primarily.

RRSPs have received considerable attention lately. My own view is that the annual contribution rate should be limited to $9,000 with corresponding change to private pension plans.

The people in my riding have just come through the worst recession since the 1930s. Very few of them can even consider saving $9,000 a year to put into an RRSP. The benefits of RRSP contributions fall most favourably on the rich, those within the highest marginal tax rates. This by itself is unfair. Without change to the current law the contribution limits are set to rise to $15,000 annually. This limit will have little benefit to the factory worker or the farmer in Elgin—Norfolk.

Lowering the limit will raise government revenue by an estimated $750 million to $1 billion annually. It will also restore in small part fairness and integrity to the tax system.

As we work toward a balanced budget there may be instances when for very good reasons spending more, not less, on a program is entirely appropriate. I would like to recommend that the government treat child poverty as an urgent crisis that requires more resources, not fewer, nor even a freeze. This may appear like a contradiction. I would like to assure the House that it is not.

The government has said that it needs to find over $6 billion in annual cuts within the next two years to meet its target to balance the budget and another $30 billion to $35 billion in increased revenue or decrease in expenditures. Within this context how difficult can it be to find an extra billion dollars for hungry Canadian children?

The Department of Human Resources Development has produced a supplementary paper to its green paper that outlines as an option an enhanced child tax benefit that would raise the benefit to $2,500 per child and be clawed back starting for incomes of $15,000 and dropping to zero for family incomes at $55,000. The cost of this program would be approximately $1 billion.

I would like to remind the House with the greatest respect that all Canadians are not participating in the recovery, nor are they likely to. If the government does not play a fair role in redistributing income this recovery will drive a wider wedge between the well off and the disadvantaged. Families that cannot compete in a quickly changing, knowledge based economy will be unemployed and their children will suffer the worst of the consequences.

In absolute terms over 1.2 million Canadian children, nearly 20 per cent of the child population, live in poverty in this country today. In most cases their parents are working. Even worse, in some provinces one–quarter to one–third of all children are poor. This is an obscenity. Even in times of cutbacks the issue needs to be addressed. The consequences of child poverty need to be addressed just as the consequence of the deficit need to be addressed.

Poor children are often poorly nourished. The Canadian Institute of Child Health states that without adequate nutrition children will suffer from stunted growth, intellectual impairment and a variety of infectious diseases. They will put an extra burden on health care and on prisons as they grow up.

To sum up, I agree with my colleagues that the debt and the deficit are serious problems. So too are a host of other problems and the one I have identified most significantly is child poverty. That is why I ask everyone in this House to join with me and ask the government for an increase in the child tax benefit and for some real solutions for child poverty.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I would have liked to hear my colleague opposite talk a little about unemployment insurance contributions. We know very well that last year the Liberal government increased contributions from $4.20 to $4.30 per $100 for employers, and from $3 to $3.07 for employees. This is money which is taken out of the market and that could create jobs instead of helping the unemployed.

• (1615)

Moreover, the proposed reform will cut $5.5 billion from unemployment insurance over three years. So, contributions were increased and spending is being cut by $5.5 billion.

Here is my question: What will happen with all that? What will happen to the unemployed? Is it just a matter of transferring people from the unemployment roll to the welfare roll, thereby putting the burden on the provinces which will have to carry those welfare costs by themselves?

[*English*]

Mr. Knutson: Mr. Speaker, I thank the hon. member for his question.

First I would point out that the UI program as with every government program has to be sustainable. I would suggest that a program that has grown from an expenditure of roughly $4 billion to over $18 billion in the space of 10 years is not sustainable. That is one of the reasons why the UI program needed to be reformed.

The other reason it needed to be reformed was that it did not do a very good job in terms of helping people get back to work. Consequently that is why the Minister of Human Resources Development announced or started his social policy review.

I think the issue of unemployment insurance needs to go hand in hand with the concept that the best social security is for someone to have a job. That is why we need to spend more money on training and that sort of thing and perhaps less on benefits.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I would like to ask the member who just gave his presentation a question.

Earlier today during statements by members one Liberal member indicated that the Reform's recommendation of $20 billion to $22 billion in cuts over three years is too draconian. The member following the presentation by my colleague from Lethbridge asked whether the severity or size of the cuts that the Reform is suggesting would hurt the economy.

The finance minister of the Liberal government said he is looking for $9.5 billion in cuts over two years. That is an average of $4.5 billion. We are recommending $7 billion a year over three years. The difference is $2.5 billion per year. Ours represents a 1 per cent reduction per year on the rate of the GDP.

I would ask the member if he thinks our cuts are severe. Are we really just debating over $2.5 billion per year? If so, what about the question in reverse. Does he not think $4.5 billion a year is too severe and too draconian from that side of the House?

Mr. Knutson: Mr. Speaker, I understand the question. I think the debate between the Reform Party and the Liberal Party is not only on the size of the cuts but where they are made. I do not want to underestimate the impact of that debate.

My understanding of the numbers is the finance minister is looking for roughly a little over $3 billion to meet his targets for the following February and an additional over $3 billion for a total of six. I may not have a proper understanding of that but I did not think it was nine. I thought it was slightly over six.

Whether it is $6 billion or $9 billion I agree that we need to make our target of 3 per cent of GDP within three years and some people are going to be hurt by that. I know the member did listen but I would like to remind him of what I said. I think some of the money should be found from a tax increase. I think it is outrageous when the top 20 per cent of income earners in this country are getting 44 per cent of the income while the bottom 20 per cent only get 2.7 per cent. It is patently outrageous. It is unfair and it is wrong.

I do not think we need a $15,000 annual limit on RRSPs. This limit helps people with an annual marginal tax rate of 50 per cent and that is the well off.

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, this debate is part of the process leading to the budget expected in February 1995 and in consequence we must presume that no specific measures have yet been decided by the government.

• (1620)

In scheduling this debate the government is asking us what direction the budget should take and what have Canadians been telling us about budgetary matters. Consequently I will make my remarks in that spirit, that nothing has been specifically decided, that budget policy is still open.

It is understood of course that the government intends to pursue the principles set out in the red book, to take the two–track approach, the first track being jobs and growth and the second track being deficit or debt reduction. In this respect, Mr. Speaker, the government as you know published several policy discussion papers. As part of its jobs and growth agenda it published the famous green book "Improving Social Security in Canada". Then it published two others. One is "A New Framework for Economic Policy" known as the purple book and "Creating a Healthy Fiscal Climate" known as the grey book.

It has asked two committees to undertake consultations with Canadians, the finance committee on the last two and the human resources development committee on the other. Both will report to the House before the budget. I have to make clear that the two are very closely interrelated. One of the goals of the social

security review is to decide whether our present social programs are affordable.

The three goals mentioned in that document for the social security review are fairness, effectiveness and affordability. It is this question of affordability which links the social security review to the economic and fiscal questions and to the budgetary review.

I want to take this opportunity to state categorically, and I am speaking on my own, that our traditional social programs are affordable. They are not the cause of the deficit. They certainly need improvement. Inadequacies must be corrected, but they should not be cut. They must be improved and in some cases expanded.

In this respect the discussion papers are sometimes ambiguous. For example this one is entitled "Improving Social Security in Canada". On the other hand it questions the affordability of those programs. As I said, our social programs are not the cause of our deficit. They are not the cause of our national debt.

Most of our social programs were started in the post-war forties, fifties and sixties and were built during that period. During that period we had one of the strongest economic growths in Canadian history. As we built our social programs during those decades, we attracted very strong capital private investment. It is the same with other advanced countries. We must take note that the countries with the strongest economies, the highest standards of living, and the highest quality of life have also the strongest and best social programs: Germany, Holland, Sweden, Canada, Japan.

The fact that they built those strong social programs did not deter economic growth and investment in their countries. Nor did they cause the economies to go into decline once those countries brought in these strong and very important social programs.

I have been listening to the Reform Party members. I believe that if we did what they suggested we would bankrupt this country. Not only would they not solve the deficit problem, they would drive the country and send it in exactly the opposite direction. We would end up a third world impoverished country. There would be a few rich people. If we did what they suggest, we would not solve the deficit. We would drive the country into almost a third world status.

The causes of our deficit have not been the social programs, but have been on the other hand the general weaknesses in our economy, high interest rates, unplanned structural change, unplanned globalization, monopolistic practices and unfair taxation—a lot of tax is not being paid that should be paid—and several others.

In the red book we said that the Conservative Party was obsessed by the deficit.

• (1625)

I want to refer to some of the things we said in the red book. At page 10 we said: "Without a doubt one of the greatest failings of the Conservative government has been the tendency to focus obsessively on one problem, such as the deficit, without understanding or caring about the consequences of their policies in other areas such as lost jobs, increased poverty and dependence on social assistance. Social costs are real".

At page 85 in the red book we said: "Conservative government decisions to cut social programs were made without acknowledging the effect these cuts could have on crime rates. Access to health care, housing, jobs and training is essential if crime is to be prevented".

We said on page 20 of our red book: "The goal of deficit reduction would be to cut the deficit to 3 per cent of gross domestic product by the end of the third year in office". We said: "In doing that expenditure reductions will be achieved by cancelling unnecessary programs, streamlining processes, eliminating duplication, and doing that in partnership with provincial governments".

We gave some examples of the things we would cut. We started off in the right way. We said we would cancel the helicopters, reduce national defence spending, reduce the $4.1 billion consulting and professional services budget, reduce grants to businesses, reduce the size and budget of cabinet ministers' offices and the Prime Minister's office. Nothing about social programs in there. On the contrary, in chapter 5 of the red book we said that they should be strengthened and improved.

At the very worst the social security review should be revenue neutral. If we really mean to improve the programs the review should not be a means of attacking the deficit. That is not what we said in the red book, that is not what we said in the campaign.

So far the government has been good in honouring the commitments to the red book. It should not forget what it said in that red book about social programs and the deficit.

It is interesting to note that not all but many of the businessmen who say we cannot afford such things as pensions, health care, day care, training, post-secondary education, unemployment insurance, a living wage for those who cannot work, day after day try to convince us to buy, to buy, to buy, more cars, more cameras, more TVs, more holidays, pet food, jewellery, camcorders, cigarettes and liquor, with more and more credit cards and no down payment. Obviously they either think we can afford those things or they do not care.

Is there not something wrong with a society where we are closing hospitals and schools, where there are more people living on the streets, where the gap between the rich and the poor

is growing, when at the same time the business sector is pressuring or encouraging us to buy more and more goods which really are not in any way as important as the things I have just mentioned. More yo–yos and less hospital care.

Those who talk about waste in government sell us products with built–in obsolescence so that after three or four years we have to buy more and more again. That is waste. That is real waste.

The whole question about affordability must be looked at in a much broader context as to what this country can afford. Can we afford more and more consumer goods that do not really count in our lives or can we afford better hospitals, better schools, better training, better pensions, making sure people are not living on the streets and that people who want to work can work?

In conclusion, if the government wants the views of MPs and their constituents this is what I am trying to deliver today. I had a townhall meeting in Montreal just last week. What I am telling you today is what these people told me at that townhall meeting. Cut the deficit, yes, certainly cut the deficit, but do it as we said we would do it in the red book, not by cutting social programs. We do not want the status quo. We have to improve things, we have to make our social programs more effective and better, but do not cut them. Do not cut the deficit on the backs of the middle class and the poor.

• (1630)

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Beam me up, Scotty. Mr. Speaker, the hon. member for Notre–Dame–de–Grâce says he wants to cut the deficit all right but in doing so he is going to ignore the 63 per cent of our budgetary expenditures that are used in transfers. Then he makes this gigantic leap and says that all the cuts that would be made in those would be made on the backs of the poor. I have news for him. There is more money taken out of social programs by the middle class, including the upper middle class, than there is by the poor. He can read that in the statistics in his own reports.

I give the hon. member some credit for telling us that the programs work great as long as there is strong economic growth. That is what we have been saying all along but we cannot continue to throw money out the door with abandon when we have a weak economy.

Let us not say that these programs have never caused any economic decline in countries that have had them. Look at Sweden. Sweden has hit the wall economically. I have personal knowledge of that from people I am dealing with who are trying to get past immigration into Canada because there are no jobs in Sweden any more. Sweden is worse off than we are.

If as the hon. member suggests the deficit is not as great a problem as we Reformers suggest, I find it passing curious that the Liberals have accepted their half–hearted attempts at deficit reduction. Either we have a problem or we do not. Let us be consistent. Let us decide what we are saying here.

Finally, there is one part of his dissertation which I did find a little bit offensive. He said the government and taxation are not to blame for the deficit or government overspending. It is all those evil, ordinary little people who insist on wasting their money on consumer goods when mother government could spend it so much more wisely on their behalf.

I would like to hear the hon. member's response to my comments.

Mr. Allmand: Mr. Speaker, the hon. member has mentioned several points and I will try to deal with them all.

First, I did mention the middle class. I said not to cut the deficit on the backs of the middle class and the poor. That is what would be done if we seriously cut social programs.

Second, I did not say that the deficit was not a problem. It is a problem but deficits can be attacked in two ways. You can attack deficits by increasing revenue, by strengthening your economy and by putting people to work, or by cutting out programs.

A family that has debt problems can take their kids out of school, can sell the family car, their house and tools. They can probably reduce their debt that way, or they can go out and work harder and increase their revenue. By doing it the first way, they might end up getting rid of their debt but they would be in a serious situation of poverty.

I am suggesting that the second way be used. That is the way we said we would do it in the red book. We would do it by putting the emphasis on economic growth and jobs, by putting people back to work so that instead of collecting money from the government on unemployment insurance and welfare they are paying taxes. Yes, the deficit is a problem, but we do not attack it especially by cutting social programs.

The member referred to countries like Sweden. Since when is the cause of the recession in Sweden due to social programs? There have been social programs for a long time in Sweden, Germany and many other countries as we have had in Canada and they did not have the unemployment problems they have today. The unemployment problem they have today is due to many of the same things that I said were problems in Canada: increased interest rates, globalization, unplanned structural change, a lot of things like that, but not the social programs.

That is where Reform Party members make a serious mistake. They blame everything on the social programs. We had good social programs in Canada throughout the 1950s and 1960s and we did not have the problem we have today. The cause of the

problem we have today is not the social programs, it is other things.

• (1635)

The final point he raised is an important one. He says that I am criticizing the poor consumer because the consumer might want to buy consumer goods instead of spending money on things like health care and education.

There are certain things that are important for nations which nations can only provide for together as a people through their governments. The people decide together that they want to do that. A long time ago we decided to have free public education in Canada up to grade 12. I do not know, maybe the Reform Party would like to reject that and go back to private education.

There are certain things such as hospitalization, medicare, social welfare programs, public education, environmental programs, public highways and the justice system that can only be done by the public sector. If we ignore the public sector and simply put too much money into the private sector we have private sector spending but the country falls apart because we do not have the social capital and infrastructure needed to compete with Europe, Japan and countries in other parts of the world.

[*Translation*]

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Bourassa—Immigration; the hon. member for Chicoutimi—Railway Transportation; the hon. member for Yukon—Health Care.

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, to start with, allow me to thank my colleague from Saint–Hyacinthe for giving me the opportunity to speak today.

Of course, it will come as no surprise that I am going to deal with the financial aspect of the issue, particularly as it relates to native people. I just listened carefully to my colleague from Notre–Dame–de–Grâce, and I was pleasantly surprised. For us, it was a breath of fresh air to hear such a discourse, especially following his colleague from Bonaventure—Îles–de–la–Madeleine, whose stand was quite the opposite.

I do hope that what the member for Notre–Dame–de–Grâce suggested will have precedence in cabinet. I hope that this point of view will be adopted by the Liberal government. But judging from the various views expressed so far, sadly, my colleague from Notre–Dame–de–Grâce may well be the exception.

At any rate, I too have perused the red book. We all do, do we not, inevitably? This book is supposed to provide guidance as to the intentions of this government while it is in power. The thing about this red book that is noteworthy is that it embodied a fundamental principle from the very outset, and that is the principle of equity. It was clearly stated in this book that this government would not forget the underprivileged, but all we hear about these days, with the forthcoming ministerial social program reform in particular, seams to indicate and lead us to anticipate the worst for the underprivileged. Yet I do hope this will not materialize.

I just mentioned the principle of equity set out in the red book. But recently, certain lead ministers have indicated in their remarks that it was more a matter of fighting the deficit. We will soon be in a deficit and debt fighting mode, hence our fear that the underprivileged will be made, unfortunately, to foot the bill. Now, I am listening to what this government is telling us and I cannot help but be reminded that this is the government that was responsible for starting this national debt spiral in the years 1976, 1977, 1978.

I reviewed the facts carefully. As a matter of fact, the Prime Minister was the Minister of Finance at the time, and when he was the Minister of Finance, in 1977—I looked up the figures—the deficit grew from $3.3 billion in 1976 to $7 billion in 1977, when he became the Minister of Finance. It more than doubled. And the following year, the current Prime Minister, as Minister of Finance, brought down estimates indicating that the debt would reach $10 billion in 1978.

You can see that the debt spiral was instigated by the Liberals, who were however very quick to blame the previous Conservative government for it. But if you look at the situation since 1985, you can see that it is the debt and the interest on the national debt that have driven the deficit spiral.

• (1640)

I think that the Liberals can also blame themselves for this. I wish to respond to the comments made by my colleague from Bonaventure—Îles–de–la–Madeleine. I hope that he is now listening to me on the parliamentary channel. I do not agree at all with his statement that Canada has functioned admirably for 125 years. My findings are totally different.

It started off on the wrong foot with the Act of Union. We think that things started going downhill when the Act of Union uniting Upper and Lower Canada merged Upper Canada's debts with Lower Canada's sound management. Why are we in 16th place in terms of competitiveness when we used to be among the top five?

Why are we down in last place among G–7 countries? He keeps talking about the prestigious G–7. We should not forget that we are the poor relations of the G–7. How much overlap and duplication do we have and how much is it costing us every year? Very conservative reports now estimate that overlap is costing us up to $3 billion a year because the federal and provincial governments are continuously short–circuiting each other.

We are told that Quebecers' debt rate, I must point this out, is much lower than that of other Canadians. Quebec government management is in much better shape than federal government management. That is recognized by everyone.

As for the consistently higher unemployment rate, the Gaspé region, among others, is a typical example. The Gaspé is probably among the Quebec regions with the highest unemployment rates. Why is the unemployment rate in Quebec always higher than the Canadian average? I say that the system does not work and that as soon as Quebec gets hold of all the tools, I can assure you that its unemployment rate will fall substantially and compare favourably with countries that are much more advanced that the one we are now a part of.

I would like to add that the First Nations are concerned, and for the reasons I just enumerated. They think that this government will really go after the poorest people and hit the poor and middle classes in this society; if Canada has a class of poor people, it is certainly the First Nations.

Not only social programs, which are a sort of safety net for them, are endangered. In a few moments, I will tell you how we must get out of this trap. It is probably not by always giving the native people more social programs and making them more dependent; it is quite the opposite, as I will explain shortly. They are concerned not only with threatened cuts in the Department of Indian Affairs but also about other departments that have specific programs for the First Nations.

Take the Department of Health, for example, which has an annual budget of about $900 million for the First Nations. So clearly, if cuts are made in health, the First Nations will be affected and if there is a class of people in Canada who do not need to be affected by such cuts, it is certainly the First Nations.

It is the same in the Department of Industry and Commerce. This department has specific programs for the First Nations and so there is a danger that the economic development proposals of that department will make the First Nations even more deprived than they are now. Parts of other departments, such as Canadian Heritage, are concerned with Indian affairs.

In any case, we must realize that any cuts affecting the First Nations would be disastrous for them since they are considered to be Canada's Third World.

Although the government congratulates itself on having increased contributions to the First Nations by 119 per cent since 1983, the figures show that the money spent was already provided for in treaties, a point which is often made by the First Nations, and I think that they are right on that. Our predecessors signed a dozen treaties with the native people in Canada and these treaties required the government to provide some services and compensation; today, the commitments made then must be honoured by the government.

I remind you of the social contract of that time, because something incorrect is being put forward now to the effect that the government is trying to keep the First Nations under its wing.

• (1645)

It has often been said that First Nations people were all lazy. However, the social contract of the time was not about that at all. It basically said that the government would take 99 per cent of the land belonging to First Nations, and relocate these people on the one per cent left. The government would also develop all the resources. You will see later, in the proposals I am making, which are also those of the First Nations, a desire for better sharing as well as for putting an end to this paternalistic attitude and this dependency.

Here are some interesting figures. Native families receive about $7,480 yearly. Considering this annual income of $7,480, my earlier reference to third world people was not an exaggeration.

If you take the Canadian economy as a whole, it is very difficult for a family to make ends meet on $7,480 per year. In fact, this is unacceptable in today's society. Our society prides itself on having the best quality of life in the world, but if you take a close look at the situation of the First Nations and the poor in this country, you will notice an increasing gap between those who have money and those who do not. I believe that the First Nations are the real poor in Canada and in Quebec.

They have a very high degree of dependency, as confirmed last week by the Auditor General. Indeed, 43 per cent of natives are completely dependent on the government. The unemployment rate is seldom below 30 per cent. I visited some reserves where it was somewhere between 60 and 70 per cent. The only people who had jobs were those who were employed by band councils and were paid with money provided by the federal government. Except for these people, the others are totally relying on the government, not by choice, but because they find themselves in the ultimate situation of dependency and isolatin. They cannot get out of it under the present Indian Act. I will explain later how it would be possible to do so.

Over a period of ten years, the number of native people aged 19 increased 80 per cent; it did so in a situation of dependency, in the field of education among others. This situation puts enormous pressure on the education system.

I frequently receive First Nations people in my office who tell me that they cannot pay for the education of some children on these reserves, because they simply do not have the money to do that. They do not have the money, because the population under 19 years of age is growing at such a fast pace that the budgets cannot keep up. So, we will be faced with a problem not only in the education and health sectors, but in all the activities affecting our First Nations.

The rate of the native population growth has been increasing regularly since 1983 and has now reached 60 per cent, twice the rate of population growth for all of Canada. So, it is normal that the budgets will be getting increasingly tighter and more difficult to manage. The youth population is growing at such a breathtaking pace that young Natives cannot attend school and receive the same education that any other Canadian can enjoy.

Housing is also a problem. We addressed this issue last week during the debate on a private member's motion. Right now, we are 40,000 housing units short in all of Canada. This whole situation, as I said last week, was decried by the Auditor General, according to whom health and education related costs are staggering and sky–high, because these people live in undesirable and unhealthy conditions.

In fact, the Committee on Aboriginal Affairs, and I will come back to this issue later, stated in 1992 that 50 per cent of all housing units on reserves were practically unfit to live in. So, the housing policy needs to be reexamined. Unfortunately, it is not being reviewed. We are always told that there is the deficit and the budget is tight, but in the meantime people continue to live in crowded housing. The houses are inadequate and do not respect the Indian culture, but what is worse is that you can find up to four generations living under the same roof, as I have seen for myself. I think that is unacceptable in our society.

Budget decrease for native programs and services.

• (1650)

We know that the answer, and I am getting around to it, as I promised earlier, is for aboriginal people to take responsibility for their own affairs through more self–government and jointly administered programs, for instance. Normally, the government provides special allowances for aboriginal people so they can prepare their negotiations.

However, there has been a 7 per cent decline in the amounts allocated under these programs over the past few years. We have a situation where aboriginal people have to negotiate with a party that can afford the best lawyers and the best consultants. The federal government comes to the negotiating table in a position of strength, and the First Nations who want to face this impressive federal adversary are told: "Listen, we cannot subsidize your preparations for the negotiating process. You will have to make the best of it". I think the situation is even being used as a way to get a cheaper deal in negotiations with First Nations. I think that is also unacceptable.

I discussed at length the relative decline in subsidies for aboriginal housing. Of course, health problems, especially in connection with housing, are pretty obvious. As I said earlier, the Auditor General has been critical of the situation on many occasions. So that is not the answer.

What can we say about the participation of aboriginal people in the Canadian economy? So far, there has been a policy of exclusion. Only one statistic has gone up: welfare payments. In fact, that is something Quebec has criticized on many occasions. We represent 25 per cent of Canada's economy through our taxes and we never get the equivalent back, except in the form of welfare or unemployment insurance. We do not think that is the answer.

The answer to providing for the future of the first nations is not to tell them: "Here is unemployment insurance. Do what you can. That is all we are prepared to do". Obviously, a society based on joblessness and unemployment insurance is not a society that bodes well for the future, and I think we will have to change our approach here.

There is a better way to invest this money. But how? Probably through self–government. We have had a few examples in the Yukon. We had examples with the Sahtu Tribal Council in the Northwest Territories. Probably the first example we had in Canada was the James Bay agreement. If we look at the living conditions of the Cree in Northern Quebec today, I think there is probably not a single first nation in Canada that has reached the degree of economic development we see here, where the Cree have become quite wealthy, although I agree, they are not riding around in Mercedes.

In any case, a Mercedes would not be very useful on a Cree reserve. They would be better off with a snowmobile. In any case, compared with other first nations in Canada, these people would probably be the first to agree that the James Bay agreement was a model of its kind and that self–government gave them the tools for their economic development. This is proof that self–government is the way to go.

If I look at my Quebec counterpart, who is the Premier, since he is dealing himself with aboriginal affairs, he is also contemplating a new way of doing things: joint management. I talked about it earlier. At one point in time in the history of Canada and Quebec, we told these people: "Go live on a small piece of land, and of course it was often an unwanted piece of land, and we will pay for all the costs".

As of now, the Quebec government is thinking about a different approach, that of joint management. Therefore, in Quebec, probably with a bigger land base in mind, they will examine the possibility for these people to get part of the royalties for natural resources, among other things.

This is an example where not only native people will have a responsibility towards natural resources, but they will also have the opportunity to create their own wealth and give work to their

own people. Putting people to work is very important because it promotes pride. The right to work is there for everyone in Canada and Quebec and it should also exist for First Nations.

There are a few solutions. For example, the Minister of Finance says that everybody will have to participate in the effort.

• (1655)

I look at people of Third World countries and native people of Canada and Quebec and I say they have one thing in common, their despair. Some situations are absolutely outrageous. I said it before and gave a few examples, but I have others right here. Inadequate housing. I spoke at length about housing, but allow me to mention that overcrowding is 16 times higher for native people than for Canadians in general. The infant mortality rate is four times higher. The suicide rate among young people is six times higher. Life expectancy is eight years shorter for natives than for other Canadians.

The imprisonment rate is astronomical. In a given city where natives may represent 5 per cent of the population, you will find that as much as 25 or 30 per cent of the inmate population is aboriginal. That is an enormous problem. There are also problems of alcoholism and drug addiction. Finally, we can realize that, for the First Nations, the solution no longer lies in dependency, but that does not justify the minister in making all kinds of cuts there. It does justify maintaining the amounts going towards their safety net, such as social programs, and directing these amounts towards self–government and resource distribution.

Once again, I thank my colleague from Saint–Hyacinthe—Bagot for giving me the opportunity to speak on behalf of the aboriginal nations.

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I noticed how you listened carefully to the description that my colleague from Saint–Jean just gave about native people. It needs no comments. With his statistics on their housing, health and education problems, he gave a very real picture of the situation. Of course, we realized then that unemployment was very high. Here again, we see that the reforms about to be introduced always go after the same people—the unemployed and the poor.

It is hard to ask a question following such a presentation. I will simply ask the hon. member for Notre–Dame–de–Grâce, who made a very impressive presentation that also struck me, to convey, besides the message he sent earlier, this message about native people to his Liberal caucus and to Cabinet. Given the presentation we just heard, I am sure that he will be able to make this reality sink in and that he will be listened to carefully by his caucus.

[*English*]

The Acting Speaker (Mr. Kilger): Before resuming debate I want to verify whether there are any more questions or comments to the hon. member. I must advise the House that following the intervention from the official opposition the next group of eligible speakers would be from the government side. If someone rises from the government side he or she will partake in debate. Then of course we will continue and refer to the opposite side of the House.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I thank you for giving me the floor. I cannot help it if I am also interested in the native issue. I may have been faster on my feet than the government members. People in this chamber will draw their own conclusion.

The point I would like to raise today for the benefit of the finance minister, and I would like the member for Saint–Jean to comment on this, is the appalling situation of the native people that my colleague referred to. These people have their pride.

• (1700)

They said so to the committee on fisheries and oceans. They want the tools that would enable them to help themselves. My colleague for Saint–Jean pointed out their appalling situation but, on the other hand, the native people are asking us, in other committees, to give them the tools to help themselves.

I know that my colleague also met some First Nations regarding this issue. I would like to hear his comments on this. I know that it is difficult to settle this matter. Right now, I have no authority to do it, but the minister opposite does.

However, I would like my colleague for Saint–Jean to describe, first, how native people could help themselves in the fisheries area.

Second, he mentioned that the average native family income was $7,480. I would like to hear more about this. I know that, last week, the member for Saint–Jean asked the minister a question, but the minister did not say when nor how the situation will be remedied.

The cost of food in remote areas was also mentioned. I do not know if my colleague has more information on this topic, but I would like him to ask the government some pointed questions on this subject.

Mr. Bachand: Mr. Speaker, I would like to thank my colleague for giving me this opportunity to explain how we might be able to deal with the issue of fisheries, which is typical.

I think that the problem with the Minister of Indian Affairs and Northern Development or the Minister of Fisheries and Oceans, is that they decide on programs here, in Ottawa, without ever going in the field to see how these programs are experi-

enced, to see the level of poverty the aboriginal people live in. Were they to do so they would find that aboriginal people often have the solution to their problems. Decisions are taken in Ottawa, but the solution is self–government. We have to give aboriginal peoples the opportunity to take matters into their own hands, to develop windows of opportunity which will pull them out of the dependency they have been kept in for 125 years.

They were always told: "Do not worry, we will give you money". That does not solve the problems. The government committed itself to some movement in this area, but I am anxious to see how they are going to switch from talk to action.

In the Far North, another very good example mentioned by my colleague, the minister said last week that he had reached his objective, he had made me 60 per cent federalist on the issue of financing in the Far North. I know, Mr. Speaker, at 2.15 p.m. it is Question Period, not Answer Period. Still, I would have liked a more accurate answer. I know that the federal government spends $14 million in the Far North, but the grocery basket is still double what we pay here. The costs are twice what they are here, but the salaries are probably about half.

I went to Iqaluit and I made a speech on food distribution in the Far North. I took Madam the Acting Speaker shopping in the Northern Store in Iqaluit. I made a note of the prices. The pack of three one–litre bags of milk was $12, while here it costs only $5 or $6 and we earn twice as much as they do.

There are solutions and they all involve self–government of aboriginal people. The Bloc Quebecois will support any government initiative in this regard. I join the hon. member for Chicoutimi in urging the hon. member for Notre–Dame–de–Grâce to promote this idea among government members. We must not alter social programs, especially not social programs geared to native people.

[*English*]

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, the motion we are debating today reads: "That this House take note of the opinions expressed by Canadians on the budgetary policy of the government". The reason we are having this debate is because of the foresight of the Minister of Finance who in his February 1994 budget launched the most extensive prebudget consultations in the history of the country for the 1995 budget.

• (1705)

In unveiling a new economic framework for the government known as the purple book on October 17 the Minister of Finance has identified five key areas: improving skills; adjusting to change; making government more productive; providing economic leadership; and getting the nation's finances in order.

The finance minister also released a second paper known as the grey book on October 18. It outlines the current state of federal finances fulfilling a 1994 budget commitment. The finance minister has made available to all Canadians through the offices of their MPs copies of a workbook prepared by the Canadian Foundation for Economic Education. This is a national non–partisan, non–profit organization with a history of efforts to promote economic understanding among Canadians.

According to the preface of the booklet the goal of the workbook is: "to provide you with background information that might be useful as you consider the issues and options that face Canada. We have tried to clarify the government's views so that you can decide whether you agree or disagree with the government".

The workbook poses questions such as: what should be priority areas for cuts; which government services should direct users pay a larger share; how can we deal with potential effects on other levels of government; and what is the right balance between cutting spending and raising more revenues.

The finance minister will not be able to read all the responses submitted but he will read a representative sample and a summary report of all the responses. As well, all responses will be reviewed by a team of officials in the department that will pass on to the minister any that are exceptional or unique. I encourage all Canadians to take the time to work through the book.

To support the minister's efforts the House of Commons finance committee has also travelled across Canada to listen to Canadians' proposals. In my riding I held a prebudget consultation meeting in order that the views of the constituents of Essex—Windsor could be submitted to the finance committee. I will be holding a second prebudget consultation meeting on Tuesday, January 17 in Essex, Ontario at 7 p.m. in the county council chambers to allow my constituents another opportunity to participate in the prebudget consultations and to respond to the finance committee's report.

In my opinion there are basically four things that can be done to address the national debt when considering a national budget. First, total government revenues can increase as a result of economic growth. Growth in sales and in income generate more tax revenues. Second, total government expenses can decrease due to economic growth. For example if more people are working and fewer people are collecting unemployment insurance or welfare then government expenses decrease. Third, total government revenues can be increased by changes in tax policy. Tax rates can be increased and more items can be taxed. Fourth, total government expenses can be reduced by cutting government spending.

Two years ago the current finance minister, then the finance critic for the Liberal Party, addressed these four points by arguing that there are only two tracks that can be followed to

tackle the national debt. The first track is to stimulate economic growth which increases revenues and decreases expenditures. The second track is to reduce government spending and/or increase taxes.

The minister correctly argued that to deal with the national debt government would have to address both tracks. The reason the former government's fiscal plan did not work is that it concentrated on the second track, increasing taxes and cutting programs while economic policies pushed the country into a recession which led to a reduction in economic growth. The end result was that the deficit remained relatively untouched.

In order to prepare for this debate I held a prebudget consultation session in LaSalle, Ontario. As well I have received hundreds of letters on the budget. I would like to report to the House the views expressed. I want my constituents to know I may not agree with all the suggestions but nevertheless I think it is important that they be reported. The proposals put forward by the constituents of Essex—Windsor at that meeting fall into the four categories outlined above and they do address both tracks.

To increase revenues and decrease expenditures through economic growth my constituents suggested that money needs to be spent in research and development to ensure growth in jobs and to ensure current jobs. They also suggested that eliminating RRSPs will hurt Canadian businesses as investments in stocks and mutual funds will be made offshore. This in turn will lead to slower economic growth.

• (1710)

They thought that taxing health benefits may be counterproductive. If people opt out of health plans then they will be sicker when they seek treatment. This will increase the cost of health care as more people are hospitalized and hospitalized longer. They also thought that cutbacks on health care can lead to increased health care costs in the long run. For example, in funding on education and research for AIDS, every person in which AIDS is prevented by education saves $100,000 in health care costs.

They also thought that we should be negotiating with the civil service. Federal employees account for only a small part of the government's budget. A result of the cuts has been poor morale which has not led to more efficient service. An efficient public service is also required to produce economic growth.

To tackle the national debt through changes in tax policy, constituents had a considerable number of suggestions. They suggested that RRSPs should not be eliminated as not only do they shelter income but they are responsible ways for planning for retirement. Responsible retirement planning will save the government money in the long run.

They also thought the government should eliminate the business entertainment tax deduction and that it should focus more on the underground economy as a source of revenue.

They thought that banks should pay higher taxes and that the GST problem should be fixed. They believed and were told when it was introduced that it was supposed to generate revenues to pay down the national debt. They also want the government to collect outstanding taxes. They believe that Canada's tax system should be reformed.

Most of the recommendations made dealt with the fourth option, when drawing up a budget in the face of such a large government debt: where and where not to cut. The constituents of Essex—Windsor made the following suggestions. We could reform MPs pensions, eliminate double dipping in the public service, reduce government overlap, allow legislation of whistle blowing so the waste of public resources can be reported, and eliminate the Federal Business Development Bank. A federal employee suggested looking at reducing the civil servant forced benefit package instead of reducing the number of federal employees. They want to reform Canada's social security programs.

Many of the items my constituents raised are ones this government is addressing. I would like to take a moment to address those. I started off my statement today by noting that the finance minister believes that we follow both tracks to tackle the problem of the deficit and the national debt. The minister's first budget demonstrates that belief and as a result of that the economy is growing.

Canada's economic performance in recent months has been very encouraging. I will repeat what I stated earlier today. There is real growth at 6.4 per cent in the second quarter, far outstripping the performance of any other G–7 country. Retail sales are up in the third quarter and up 7.8 per cent over last year. Real exports are up 5.6 per cent in the third quarter which is a record level and the fastest growth since 1983.

Employment is up by 307,000 jobs since January and these are all full time jobs. Employment growth in recent months has been the most rapid in almost six years. The unemployment rate has fallen from 11.4 per cent in January to 10 per cent in October. The help wanted index is up 2.1 per cent in October and stands 16.5 per cent above the pre–election level.

This economic growth pays dividends and has helped reduce the deficit. Over April to August the deficit is $4.5 billion lower than in the same period in 1993–94. Furthermore, it is results like these that lead the IMF to project that Canada will have the strongest growth in output and the highest rate of growth in employment in all the G–7 economies in both 1994 and 1995.

Another suggestion made at my LaSalle meeting was that the business entertainment tax deduction should be eliminated. It should be noted that the government's last budget reduced this

deduction from 80 per cent to 50 per cent. It also suggested that government revenues should be increased by clamping down on the underground economy.

In terms of the underground economy it is important to note that 95 per cent of all taxes are paid voluntarily. However, enforcement activities are also expected to add $3.8 billion to tax assessed in the fiscal year 1994–95. Revenue Canada's underground economy initiative alone will result in $750 million in additional taxes assessed before the fiscal year is over.

• (1715)

Another point raised by constituents dealt with the question of uncollected taxes. It should be noted that this money does not represent an untapped source of funds for the government to apply against the deficit.

As I told the Canadian Tax Foundation's annual meeting on November 23, 1994, these moneys will be collected with interest except where there are legitimate reasons to adjust the assessment such as additional information provided by the taxpayer or an error in the original assessment.

As I noted above, constituents suggested reducing government duplication and reforming social security as two means of addressing the deficit. The government is currently reviewing both social security and all government programs to ensure the most productive and efficient services for Canadians.

In addition to holding a consultation meeting, I also receive hundreds of letters from constituents in my riding offering their suggestions and comments. Two resounding themes were heard over and over ahead: first, that governments must cut spending; second, that painful measures that are implemented must be fair, equitable and not betray former trusts or commitments that governments made to Canadians.

On the first theme, there is recognition and an understanding that the debt and deficit must be reduced. Canadians understand that our total provincial and federal debt is approximately $700 billion. Furthermore, they recognize that if we want to pay off all our debt, both federal and provincial today, we would need more than $24,000 for every man, woman and child in Canada.

This figure is ominous, as well it should be. To further put it into perspective, they realize that interest costs on our federal debt alone are rising by $85,000 per minute. Last year, more Canadian tax dollars were used to pay interest on the debt than were spent on any other area, more than was spent on health care, welfare or programs for seniors, far more than was spent to run the entire federal government.

We spent $38 billion in interest payments on the debt. In comparison, we spent and paid $7.6 billion in UI transfers and $19.9 billion in transfers for seniors. Furthermore, our net foreign indebtedness is 44 per cent of our gross domestic product. It is the highest of all the G–7 countries. Italy comes second at 11.6 per cent and United States foreign debt is 8.7 per cent of GDP.

The workbook released by the Canadian Foundation for Economic Education states our problems best. In 1993–94, our deficit was virtually all interest payments, $38 billion of a $42 billion deficit. In 1994–95, this current fiscal year, our entire deficit will be due to interest payments on a debt. If things persist we will leave the next generation and future generations an extraordinary burden, a burden that would likely guarantee they experience a lower standard of living than those who preceded them and incurred the debt. It will be like leaving a mortgage still to be paid but no house to show for it.

A resounding theme that permeated from the numerous letters I received from my constituents was a plea to reduce government spending. So grave is the problem that many in their letters wrote: "I have never written a letter to any member of Parliament before but I feel it is necessary that representatives in government realize that we have had enough taxes and ask that spending be reduced co–operatively with the provinces".

One of my constituents could not have expressed the problem clearer. He wrote: "I am pleading with you to understand that new taxes are not the solution. Please reduce government spending drastically. If I am not making enough money to live the way I want to, it is up to me to come up with more money or change my lifestyle. That is my responsibility. I expect the government to change its spending style".

Another constituents wrote: "In hard times we do not have to give money away so freely. We should not give interest groups handouts at the drop of a hat. If all this nonsense was cut off we could probably do away with the GST. That money was supposed to pay off the debt and nobody seems to know where this money goes".

The second theme was the belief that painful measures that are implemented must be fair, equitable and not betray former trusts or commitments that governments made to Canadians. Along this line I received hundreds of letters on the issue of RRSPs. The message was: "When RRSPs were introduced, the government promised us that we would be taxed in the future when we used that money. Now I am shocked that you are considering breaking this commitment we both made to our combined future".

• (1720)

Further expanding on this theme the president of the Windsor–Essex County chapter of the Canadian Association of Retired Persons, known as CARP, stated: "Historically governments have encouraged Canadians to save for their retirement by investing in RRSPs. This has not only provided a tax deferral on earned income but has also allowed these contributions to grow tax free until such time as the funds were withdrawn. Now that millions of Canadians are using this investment strategy it would be a serious breach of trust to now start taxing RRSP contributions and earned interest prior to withdrawal".

The possible taxation of dental plans was also expressed as a matter of treating all people fairly. One constituent wrote: "Dental plans definitely assist individuals and families to visit dental offices on a regular basis for preventive dental procedures and dental treatment when required. To tax dental plan benefits would result in less net income for my family and myself because I have a dental insurance plan. I think that is unfair. I am sure that many people like myself will have to consider whether to continue their dental plan and be taxed or discontinue their dental plan and not be taxed. Without my dental plan I know my dental health will suffer but I remain unconvinced that this tax will provide the economic impact that the government is banking on. Don't betray a trust. Don't tax health".

Sustainable economic growth can only be achieved through solid planning and real productivity and growth. In the purple book the minister stated that productivity growth is the foundation of economic progress and must therefore be the primary focus of economic policy. A more productive economy is the only dependable route to more and better jobs for Canadians.

Research and development can assist in this goal. Between 1974 and 1993 employment in industries which use high technology grew almost three times as fast as in those that use low technology. It is estimated that almost half of the new jobs that are likely to be created during this decade will require more than 16 years of formal education and training combined. Government must maintain research and development in all areas.

Especially in my area one area of concern that has been brought to my attention is agricultural research and development. Without the agricultural research and development in my area, for example, Essex county would not have several flourishing wineries as it does today. It is important that we continue to promote such research and development.

In conclusion, these prebudget consultations have offered my constituents a forum for expressing their opinions and concerns. In summarizing their statements today the two recurring themes are that we need balance and we need fairness in the cuts which we make. That in my opinion is the answer. The 1995 budget must be fair for all Canadians. Only then will it be accepted.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I have listened to the hon. government member with great interest and I would like to tell her that the deficit we are currently experiencing was initially caused by the Liberals in previous years and then fed by this deficit caused by the Conservatives. So, the two old parties are equally responsible for the economic disaster we are now faced with.

The member delivered a speech fit for the Canadian Club or an audience of scholars at a university. Now I think that the House of Commons is a place where things have to be put in pragmatic and practical terms. Her speech was packed with lip service, with pious wishes as to what the government could do. However, the people do not want to know what the government could do, but rather what it will do to resolve the problem. That is what matters. Any member of this House can rise and say fine words that do not add up to much and I was very disappointed.

The people of Canada and Quebec expect from government that it take its responsibilities, but we have been denied this from day one by the government across the way.

• (1725)

We will recall, Mr. Speaker, that at the time the red book came out, we were supposed to be able to find all the answers in it. As it turns out, after all these consultations and delays, this government is no further ahead than it was a year ago, the reason being that it does not know what to do. It keeps delaying and delaying and delaying. The people of Canada want answers now.

The problem is that in the 1970s, this Liberal government took steps to distribute wealth, which in itself was very commendable, but now, it is distributing the deficit. I would like my hon. colleague to tell me how the government intends to distribute the deficit, all the while ensuring that the underprivileged, the poor and the middle class will not be targeted as the ones having to pay the greatest part of this deficit.

[*English*]

Ms. Whelan: Mr. Speaker, I feel that first I must reply to the comments made by the hon. member with regard to my constituents.

As I stated several times in my speech today, my constituents came to a prebudget consultation meeting and hundreds of constituents wrote to me. I felt it was my duty to present their views today. Those are the views of my constituents, not my views, with regard to the majority of the speech I made today. I think it is only proper and fair that the constituents of Essex—Windsor have the same rights as constituents in other provinces. They wanted those rights and that is what I put forward today.

With regard to the problem of the deficit and trying to put the blame on the Liberal government of the 1970s, I would like to remind the hon. member that in the late 1970s and the early 1980s we had a recession in Canada. Everyone knows that you can expect to have a higher deficit during recessionary times. However, the 1980s, during the previous Tory government, should have been a time to curtail spending and bring down the deficit. It was not. It increased spending.

To try and blame the Liberals of the 1970s I think is a very poor effort on behalf of the hon. member, when everyone knows that during economic growth, which we are experiencing now, it is the time to cut spending and get our finances under control. That is not what happened during the 1980s when the Tory government had the opportunity.

I do not believe we should blame past governments. We should be giving credit to this government and to the Minister of Finance for undertaking this effort to allow Canadians to express their opinions and to allow for this debate today and in the future. It allows us an opportunity to put forward views and ideas and allows all Canadians to have input. That is what is happening. That is what this government started and it is unprecedented.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I would like to thank the member for her speech. I wonder if she could clarify something that caught my interest in the previous question. We talked about who is responsible for deficits.

The province of Quebec has the highest provincial deficit of all provincial governments. It represents $9,400 for every man, woman and child in that province. Of this debt, 40 per cent is owed outside the province of Quebec and outside Canada. It is owed to foreigners.

Interestingly enough, I went back and discovered that over the last seven years of the PQ administration it raised deficits in that province by 285 per cent at a time when transfer payments from the federal government actually increased to the province of Quebec. After the PQ government, I think in 1985, the deficit continued to increase but less than half the increase occurred while the current premier of Quebec was the minister of finance.

I wonder if the member could possibly give some comments on the previous speaker's dissertation about how all the debts have been created by the federal government.

Ms. Whelan: Mr. Speaker, I thank the hon. member for his intervention. I would like to expand on that.

We all know that every government, whether it be provincial or federal, has a responsibility. We know that the debt, as I stated today, of $700 billion is both a federal and provincial number. There are a number of provinces that need to get their financial houses in order. If the finance ministers of all provinces were to follow the example of the federal Minister of Finance, we would have a more open process across the nation. That would be wonderful.

• (1730)

As I stated earlier, one problem today with our debt is the fact that over 44 per cent of it is foreign owned. With the problems developing in other provinces, as my hon. colleague pointed out, we have to get control of it both federally and provincially. The consultation process, openness in asking Canadians for their input and listening to their ideas is the way to do it.

The Acting Speaker (Mr. Kilger): I wonder if I may seek some assistance from the House. If members are splitting their time would they please indicate it to the Chair.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I advise the House that I am splitting the time with my colleague. I will take 10 minutes.

I am pleased to rise today to take part in this important debate on budgetary policy. I think it was Will Rogers in talking about the weather many years ago who said: "Everyone talks about it but nobody does anything about it".

We are doing a lot of talking about it today. I heard some very sensible things being said in the House and some not so sensible. I wonder what the fallout from all that will be. Will someone actually do something about it? Is the Minister of Finance listening to the words being said in the House, or does he have some staff available to sift through it all and separate the wheat from the chaff? I hope something is being done because some words of value are being spoken here today.

Government policy in this whole area, as restated last Thursday in the House by the Secretary of State for International Financial Institutions, is to bring the deficit down to 3 per cent of the GDP. This is not an acceptable policy. Many financial experts have stated it. The C. D. Howe Institute is urging the government to move faster in the area of deficit reduction. There are some signs the Minister of Finance is getting the message, but I do not know if he has it all yet.

The policy of simply taking 3 per cent of the GDP as the target is unacceptable. It would leave us with an $25 billion deficit annually in a couple of years. It is unacceptable for another reason. In response to a question from one of my colleagues on Thursday, the same secretary of state stated that while their fiscal policy was to reduce the deficit to 3 per cent of GDP it was only an interim target. That can be good news and bad news. What will the final target be?

How does the government expect to inspire economic confidence when its fiscal policy is geared only toward an interim target? This is not acceptable to the financial markets. This is not acceptable to Canadian taxpayers. Both expect more from the government than a vague financial policy based solely on an interim target.

I am beginning to think that not only is it an interim target; it is a moving target. The statement of the Reform Party on targets indicates that we have to target our spending. I heard statements in the House today that social spending should be preserved for those in need. I totally agree. We should target our spending to those who need it, not those who do not need it.

• (1735)

Last week Reform finance critics released a paper detailing about $10 billion worth of cuts. It was quite a worthwhile paper. I will not go over it all but I remind the House that last week the Reform proposed that people at the top of government must be the first to make visible and significant sacrifices such as reforming the pension plan of MPs.

Last week in the House a private member's bill was proposed to reform the plan and the government and other members voted against it. They did not want reform if it was going to cost them money.

Mr. Cannis: Read the red book.

Mr. Ringma: That is unacceptable. I have read the red ink book.

The Secretary of State for International Financial Institutions described the paper brought in by the Reform as containing positive suggestions. It is refreshing the hon. minister recognizes the value of some of the ideas being batted around in the House.

I remind everyone of the precarious situation of our country. We have a debt at the federal level of $530 billion or $540 billion. We are increasing that debt. As of this year our deficit spending looks like another $40 billion, which works out to a rate of $110 million each and every day we go deeper into debt. It is a serious problem. The public at large in Canada is finally starting to haul it aboard. Certainly the financial institutions have hauled it aboard. It is time the government did so.

I will touch on one small area today and perhaps two if I have time to show what we can do to wrestle with reducing spending. I am the critic for official languages. I would like to suggest that we can save in the area of $310 million annually. This is not a big deal relative to the amount of deficit spending we are going through, but if each area can pick up $310 million in a year and spread it across the board we can get this thing under control.

Because I am talking about savings in the area of official languages I know they are waiting across the way to jump all over me and tell me how terrible our policies are. Let me reiterate with regard to bilingualism and official languages that the Reform Party is pro–bilingualism, not anti–bilingualism. The more people have French and English the better off we are. The more multilingual people in the country the better off we are in trade with the Pacific rim, with Europe and around the world. We are not anti–bilingualism; we are anti–waste. A lot of waste spending is incurred under the aegis of the Official Languages Act. We have to cut that out.

Another policy would be to give language and culture to the provinces and say they are theirs to take care of; if they want to spend money on them they can go ahead and decide to do so. We would leave it to the provinces. From the $310 million I am talking about we could trim about 30 per cent or $80 million from funding for official languages education. We could leave that to the provinces, keep the federal government out of it and save $80 million. Education, after all, is a provincial responsibility and should be left to the provinces like culture and language.

• (1740)

It should also be noted that most of the money is used to fund immersion programs. Immersion, especially French immersion of youngsters, has been touted by powerful special interest groups like Canadian Parents for French as the best means to create bilingual children. This is simply untrue. Several studies indicate that French immersion, especially at the younger ages, has been a failure.

Dr. Hector Hammerly of the linguistics department of Simon Fraser University has done extensive research in the area and has concluded that French immersion is based on a series of incorrect assumptions. Rather than producing graduates fluent in both languages, it turns out people who he says speak frenglish. They speak and write French poorly and they have difficulty in English. Dr Hammerly has discovered that core French is as effective in producing bilingual graduates as French immersion and costs less to operate.

Therefore, if we are spending money on something that does not work, surely we can afford to cut that spending.

[*Translation*]

I am always available to discuss any problem involving bilingualism or French immersion with anyone.

[*English*]

Second, we can save $41 million by eliminating grants—

The Acting Speaker (Mr. Kilger): Order. I regret the member's time has lapsed. Possibly he will have the opportunity to conclude his remarks within the context of a question or comment from a colleague.

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, I was very interested in the quote from my colleague with respect to French immersion. I have worked for a number of years in the field of education and have known the best experts not only in Canada but throughout the world.

It was my understanding there was a consensus that the immersion model was the best one in terms of learning a second language. I am really quite surprised with his assertion. However I recognize it is always possible to find someone who will disagree with any body of knowledge.

Is it true that those educated through the immersion mode supposedly do not speak it very well? The studies I have seen show that they do as well as their peers do. In fact they very often do better even when we throw in factors such as socioeconomic status and intelligence.

Why is it that people such as I who have French as a first language and others who have Greek, Italian or another language are able to learn English? They are able to learn their own languages and not speak frenglish. I think my English is reasonably good.

Could the hon. member somehow try to explain to me what appears to be a contradiction? Most French speaking people I know whose first language is French and most other Canadians who have another language as a first language end up speaking the English language very well. If that is the case, why should English speaking students who have English as a first language and learn French not be able to do the same? It does not make a whole lot of sense to me. I would certainly like some clarification.

Mr. Ringma: Mr. Speaker, English speaking people are able to learn French. There is no difference in brains as I understand it. I am trying to tell the hon. member for St. Boniface and anyone else who wants to listen that there are problems with French immersion training among youngsters. This problem has been brought out in a most recent issue of *Saturday Night* magazine. I would be very happy to pass a copy of it to the member. I would also be happy to give him a copy of Professor Hammerly's book. This evidence of the failure of immersion training of youngsters is being swept under the carpet because this group of parents for the French language receive a grant of $900,000 a year from the federal government. They parlay that apparently into more. They are not at all interested in doing anything but continue touting immersion training, whatever its deficits.

• (1745)

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I listened very attentively to the comments made by my colleague from the Reform Party and I think he is right on the issue of early language training. However, that is not what I want to talk about. What bothers me a little is his proposal to transfer language and culture to the provinces.

We know full well that if Canada implemented the hon. member's proposal at this time—since I have always thought that Canada was an artificial country kept together from coast to coast to coast by the policy of the two official languages—, we would have a problem because we in Quebec have a long tradition.

As you know, Quebec anglophones have their own elementary and secondary schools as well as their own school boards, hospitals and universities in and outside Montreal. So this is not a problem for Quebec but I think that francophones in the rest of Canada would lose all their services, which would be very dangerous. I do not know if the hon. member has thought about it, but I think that there would be no problem in Quebec but that francophones in the rest of Canada would simply lose their services. Could he comment on this?

Mr. Ringma: First of all, we must realize that Quebec already has a problem with Bill 101. I believe in Quebecers' generosity so there should not be a problem in the future because the people themselves will decide what to do and for whom and how much to spend. I assure you that the same applies elsewhere in Canada. Canadians are quite generous by nature; they care about their fellow citizens whatever their origin and will do what is needed to protect languages or anything else.

Mr. Leroux: That is not the reality.

[*English*]

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, it is truly an honour to be able to speak on such an important subject. I would like briefly to go back to my involvement and interest in the subject of debt and deficit and why I became involved really in politics.

In 1984 all of us realized that this country had a major problem and that we had to deal with it. At that point we were $190 billion in debt and we had someone who promised to help us get out of that. Of course by 1988 we realized that those promises were not going to be kept and that even though we were promised with some more time something could be done, an awful lot of us said no way, and so the birth of the Reform Party.

Basically there were a number of test cases that came for where the Canadian public was at. We had the elite and the media saying that Charlottetown was the answer to a lot of our problems and the Canadian people sent their first message.

In 1993 we had another very sound second message sent which stated: "You had better deal with that debt and deficit or you know what is going to happen". The PCs suffered from that. To the Liberal's credit they have realized that is exactly where people are coming from. We must deal with this and we must do it right now.

However, when we look back to February 22 of this year that probably was the darkest day in this House when we found that nothing had changed and that nothing had happened. Now we are

into the fall and winter of 1994 and we now hear that come hell or high water we are going to deal with this debt and deficit. I hope that these are not just more words because if so the third message will come from the Canadian electorate and that will be borne out on the Liberal Party.

• (1750)

Three per cent of GDP by 1996 or 1997 is just not good enough. That is so minor in terms of what has to be done. People will not accept that. We have to do things to change. We have to show lower taxes so people will have the incentive to spend more money and leave their money at home. We need to downsize government dramatically. We need to help people help themselves. Certainly taxing RRSPs is not the answer to that.

We need to get government out of business. We need to stop duplication between the provinces and the federal government. We need to solve the Quebec problem, the native land claims problem. We need to show leadership in areas like the WTO and the OAS to name just a few. We need to reform the whole government starting with pensions, as we have heard so many times. We need to look at many other areas of government to reform, not the least being the Senate.

Many speakers have dealt with our zero in three plan which we have had in place for a number of years and which we have now fine tuned. Each of us as critics in our areas has been asked to specifically go after the things that affect us most.

As the foreign affairs critic I will deal just with that area and the sort of deficit reduction that we would see there. As an earlier member said, we do not have the specifics, I would like to let him know that we have a lot of specifics, certainly more than we have heard from the other side.

In talking about foreign affairs and how we would do our share as part of government to reduce, I would go back to our foreign affairs review on which we spent the last seven or eight months listening to hundreds of witnesses across the country. The strange part was that so often we spent our time dealing in an academic exercise, not dealing with any real policy and never did we talk about the kind of cost cutting that we would recommend to the minister when the time came for his call to say here are the cuts that we can make.

Instead of asking key questions like what can we afford, what should be the priorities in foreign affairs, we conducted major discussions as to whether human rights abuses should be considered as being grave, severe or serious before Canada should respond with positive measures to help.

I point out that all of the above words are synonyms and have no quantitative or qualitative differences. It was like arguing whether the movie "The Omen" was frightening, scary or horrifying. We spent our time discussing words that really were in the area of academia interesting, but in the actual area of making a difference not very.

As a result while the final report was precisely worded it did not deal with some of the key things like how we are going to cut our debt, how we are going to reduce our spending and yet still try to get the job done.

As a result we did put forward a dissenting report on the foreign affairs review. Our number one issue that we talked about was fiscal responsibility. We pointed out that the report had asked for numerous spending increases and had asked for no cuts. Not one place did we suggest a cut.

Since we found this unacceptable we went ahead with our zero in three proposal and said how can we make cuts. Out of that we came up with $1.3 billion worth of cuts that we feel are essential if we are going to balance that budget.

In this proposal we looked at a number of areas. The first one was operating expenses of government. In the area of foreign affairs and CIDA we have a number of administrative costs. There have been cuts in the past.

• (1755)

If you talk to the bureaucrats, they will tell you that you cannot cut any further. In the tough times we are in we have to cut further. We do not have a choice. In the unreal world, in the utopia that we often hear described around this place, we would not have to make those cuts. That utopia does not exist and those cuts are necessary. We cannot go on any longer without making those cuts.

We have to cut government to government aid programs. As many members are aware, at our recent convention held here in Ottawa we passed a resolution which asked for a tough analysis of this whole area of aid. The big thing we cannot avoid is this whole aid question as being one of a slush fund for the minister or the Prime Minister whenever they travel.

I have press releases here that I got today showing again $2 million here, $80 million there. It is like a slush fund, like when we go to a cocktail party we simply hand out a cheque just to show what good guys we are. The Canadian people are not going to accept that anymore. They want NGOs to handle the aid program. They want NGOs who are responsible and who are prepared to raise equal funds on a one to one basis. They are not prepared for 100 per cent funding any longer. They are asking for transparency and an evaluation of the programs they get involved with. That would be the way the Reform Party would approach that area.

I am not saying we would cut foreign aid. I am saying we would target it. We would look at it and try to get the best bang for the buck. We cannot be all things to all people.

The third area we might look at is the whole area of international grants. We give a lot of grants and in many cases there is no accountability for those. I could go on if I had more time to talk about those. Again, the Canadian people are asking us to evaluate those international programs and to be sure that the money is being spent in the best possible way. We are cutting money to our students but we should be looking at what we are getting for some of these international grants.

As well, we have to take a look at some of the institutions we belong to. The policy of the Canadian government has been that we have to belong to everything that is international. We belong to more organizations where we do not know what they do. When the Auditor General took a look at this three years ago he could not even find out what the aims of some of these organizations we belong to are, who their boards of directors are and what they hope to accomplish.

What I am saying is that in all areas of government, it does not matter what department, we are going to have to make some cuts. There is no question about that. We must recognize that and we must expect the ministers in each of those departments to come up with those kinds of cuts. That is our goal. That is what must be our goal. It is what we in this House must all agree on.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I really enjoyed the hon. member's speech. I think that it is very sensible. He is an opposition member and the opposition's role is to ask questions. The role of the government is to find solutions and solve problems. I think that the Liberal government facing us was not in opposition long enough to really prepare for governing, but you know that Canadians, outside Quebec and the west, decided that it would be the government so it should govern.

I would like to discuss something about my colleague's speech, his reference to the Quebec problem. Quebec does not have a problem; I think that the rest of Canada has a problem, because Quebecers will decide freely in a referendum.

• (1800)

He talked to us about Charlottetown. That accord was a historic event which shows us beyond any doubt that Canadians and Quebecers voted no, but for entirely opposite reasons. So Charlottetown clearly shows the differences between Quebec and the rest of Canada.

My question for the hon. member, who made a very good speech, is this: Is it not time now to see what Quebec wants and let Quebec develop fully?

[*English*]

Mr. Mills (Red Deer): Mr. Speaker, I certainly did make reference to the Quebec problem. Maybe problem is the wrong word. I should have said concern.

Members know where we come from on that sort of issue is that basically we believe the day of two founding nations was the case back in history. Now we have 10 equal provinces. We have 12 million people in this country whose original language is not English or French. Therefore let us get on with it is the point. Let us get on and make this country Canadian.

We are Canadians. We are proud of it. We want Quebec to be part of that. We believe that grassroots Quebecers also want to be part of it but they are tired of the old line way of dealing with things. They want to deal with things now in 1994 style. That is let us deal with the problems, the jobs, the debt, the deficit, the criminal justice system. Those are the areas they want to hear about.

They do not want to hear us talking about this constitutional garble. Let us get on with it. Have the referendum. Tell the people the facts and then let us get on with it.

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I would like the member for Red Deer to clarify something for me. During his presentation he indicated that taxing RRSPs was not the answer. Earlier today one of the members from the Reform Party indicated that RRSPs should be taxed. I am a little bit confused. Maybe he could clarify.

Mr. Ramsay: Who?

Mr. Cannis: Maybe it came from a different fax machine, I do not know. The other question I have is this.

He indicated chopping, chopping, chopping and this government is not coming forth with any proposals. Often the Minister of Finance is asked these questions. As custom has it in this House at the appropriate time the minister will come forth with those answers. Right now, as we all know, we are going through the consultation process to hear what the people are saying so that we can collect this information and come forth with the proposals. I would like clarification on the RRSPs.

Mr. Mills (Red Deer): Mr. Speaker, the less government we can have and the more we can let people be responsible for themselves, an RRSP is the way to do it. To tax something like that, one is saying: "Hey, we are not even going to let you take care of yourself". Had we stayed out of CPP back in 1965, we would have been better off if it was not going to be run like an insurance program because look what government did to it.

What we are saying is this. Encourage people to take care of themselves. The RRSPs are doing that, do not touch them. Do not raise taxes. I would be really surprised if anyone over here agreed with that.

As far as the studies in 1984 we knew we had a problem, $190 billion in debt and we said: "Fix it". Mulroney said: "I will" and then he chickened out. In 1988 he said: "Hey, I need a little more time. I just did not have enough". By then we said: "You're lying". We had an election but people believed him. In 1993 they did not believe him any more and members saw what

happened. That is what will happen to anybody else here who does not deal with that number one problem.

That is why we are losing our jobs. That is why it is not working.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, I listened with great interest to the vast majority of speeches made today. I really appreciated them and I would like to briefly summarize the key arguments of each party.

• (1805)

When Bloc members take the floor, we hear about the deficit. We are told that the debt is huge and even more than huge. But then, they tell us not to change anything because if we do we will create problems—I think we understand that—the big problem of course being Canada. This is the essence of the Bloc's message.

The notion that Quebec could be a problem was rejected by these people, but they were quick to say that Canada is the major problem. I do not think it is the case and people should be honest about this issue. The fact is that, for years, we spent a lot of money; now, we all have a big problem on our hands and we all have a responsibility to try to find solutions together.

I appreciate listening to speeches made by Reform Party members.

[*English*]

The main thrust is cut. It is easy. It is so simple to bring in a balanced budget. It is not difficult. I did it as a former deputy minister. You have to realize, and I think my colleagues do but they will not admit it, that whenever you cut something there are victims at the other end.

For example, when we talk about cutting aid to other countries we forget that there are potential victims there. We would like to make Canadians believe we do that out of the goodness of our hearts. Let us be honest. We get a lot in return. We also add to our own security when we do that. Let us be fair when we talk about whatever it is that we are going to do, to cut or to add or to subtract. Let us be fair. Let us share the impact.

I was really shocked, Mr. Speaker, and I think you noticed it when the colleague previous to the last, and perhaps he did not see it that way, attacked Canadian Parents For French, which is a very honourable organization. The suggestion was that because they get some assistance from government that they go on promoting immersion as opposed to believing that immersion is the appropriate model.

You will remember, Mr. Speaker, that I said that there are roughly seven million French speaking Canadians whose first language is French and there are probably 12 million others whose first language is other than French. We all learned English in an immersion setting. In fact we have learned it so well that some of us speak English better than we do our own native tongue.

I reject completely the whole hypothesis that immersion is not effective. I reject it totally. I have already made a call to look at the most recent research. If I am wrong I will come back and I will tell the member.

It is easy to come in here and make those kinds of accusations. Take one *Saturday Night* magazine article and that is it. That is not good enough. It is absolutely and totally unfair to attack a group of responsible Canadians who have been working for years to give their children the best of all possible educations and then just slough it off on one reference, one supposed expert.

[*Translation*]

Well, I better change gears because, frankly, it upsets me when I think about the exaggerated and insensitive comments which were made.

I want to say a word on the consultation process. As you know, before undertaking that process, about a month ago, the minister and his department had the good sense of providing us with a number of documents on economic development in Canada, in times of deficit, debt, et cetera, so that we would have a background, based on facts, to better understand the problem. As you well know, the finance committee started to travel throughout Canada to consult the people, to find out what Canadians think of this pre–budget consultation process and what they think about the cuts, the taxes, et cetera.

The Minister of Finance himself has gone to a great number of Canadian cities to attend all kinds of meetings where he listened to people who expressed their concerns and then he told all members of Parliament, not only members from his party, but all the members, to feel free to share with him their views on the budget.

I think this is an initiative that deserves to be supported. When I heard someone say that these were phoney consultations, I found that allegation insensitive and unfair. I think it is really very ill–considered to claim that the Minister of Finance has undertaken pro forma consultations.

• (1810)

Frankly, people who make such statements are going too far. I am only a private member, but I have had the opportunity to talk with some of my colleagues, with businessmen and women, as well as a number of constituents not only in my riding of St. Boniface, but throughout Canada, and here is what I found out.

[*English*]

After having talked not only with my own constituents and having had a number of meetings with them, but having chatted with Canadians across the country, here are some of the things that I have found, noted and shared with the Minister of Finance.

Surprise, surprise, surprise, virtually everyone I talked to said they were taxed too much. I suppose I would probably agree with that. Interestingly enough, they wanted to see how our taxation rate compared to that of other countries and particularly those countries that are major trading partners such as the U.S., Japan and a number of other countries. They also felt that if one was a wealthy person one had the means to avoid paying one's fair share of taxes. These are impressions, opinions and views they shared with me.

They also believed, rather passionately I might add, that rich Canadians should not be allowed to pay no or few taxes. Whether or not this is totally true is not the issue. The issue is that these people believed it. They also believed the same thing of what they call rich corporations.

There was a bit of a problem when they were asked to define rich. They could not agree too quickly as to what the definition might be. However, they were really annoyed that banks supposedly, according to their perception, do not pay a sufficient amount of taxes. I think banks would probably disagree with that. In fact I have met some bankers who have, but that was the perception by Canadians.

I have more. They wanted loopholes blocked. These are Canadians from different walks of life who do not have loophole opportunities. They really feel that many of those loopholes are not there in order to assist Canada and Canadians generally but that they are there in order to assist those who have more. They felt that probably in most instances those should be closed.

There was also unanimous feeling that people earning profits on their investments in Canada can avoid paying Canadian taxes. I have been looking into that. Apparently people can make money on their investments in Canada. If they shuffle the money out they pay less tax if their money is in another country. They said: "If that is so is it really fair that they come and make their money in Canada and then take it elsewhere in order to avoid paying some of their taxes?" That is what they believed.

There were a number of cases on student loans concerning people who are supposedly very wealthy or relatively wealthy today who still owe student loans. They have not paid those loans. The people are angry because many of them had student loans. Many of them today have families with children who have student loans. They have paid off their loans and will help their children go through college or university.

They also had a lot of good, common sense. They said: "Clearly, if somebody cannot pay off a student loan why give them a hassle? Why go after them? Why not set it aside for the time being until they can get their lives financially together and then later on, if it straightens out, they can collect?" There was a strong feeling that anyone who today is relatively well off and still owes the government money on student loans should pay off that student loan and the sooner the better.

There has been a lot of discussion today about family trusts. These people with whom of I spoke also mentioned it. Whether the perception is correct or not, there is a belief that there is a lot of money put away in family trusts that is not being taxed at the same rate as my own, your own or their own earnings. They felt that was wrong.

They also asked a number of interesting questions. Is it time for this country, supposedly one of the few that does not have an inheritance tax, to look and see whether or not that would be a useful measure?

• (1815)

They also had the equally strong feeling that the black market economy needs to be addressed. Some of them were rather sympathetic and said it was the way the poor man and the lower middle class got around taxes. They think that wealthier Canadians have a number of mechanisms to assist them in doing that if they choose. Then perhaps it is not so bad after all. The general feeling was that once the richer paid their fair share that much of the black market economy would disappear.

Of course it would not surprise you, Mr. Speaker, that the whole question of MP pensions came up. They are pleased to know the government will be addressing that issue shortly. If for no other reasons than symbolic ones, they are aware that features of that pension plan are significantly different from what most Canadians enjoy. They want that matter addressed.

They want not just MP pensions looked at. The general feeling was that all Canadians should be able to retire with a pension that permits them to live their remaining years with some dignity. They felt that all pensions should be looked at so that we could strengthen pensions generally and where they are too generous perhaps tailor them. They really felt Canadians should be able to retire with a pension that would permit them to live in dignity. I was extremely pleased.

A final point that came out of these discussions is that the Auditor General has a great deal of credibility. They felt that those issues the Auditor General raised pointing out serious problems in terms of money not being used as appropriately as it should be need to be addressed. They would like them addressed in the budget each year.

After a number of weeks of talking with constituents and Canadians across the land those are the points that have been made to me. I might add those are the points I have shared with

the Minister of Finance hoping that he might be able to address some or all of them when he comes forth with his next budget.

I think the Minister of Finance is looking for that kind of input, that kind of precision, that kind of assistance. When he does come forward with the budget it will address our government's goals to reach 3 per cent of GDP in terms of the deficit by the third year of government.

[*Translation*]

I have shared with you and my colleagues some of the concerns expressed by a number of my constituents and Canadians concerning the budget to be tabled in this House in February 1995. What the Minister of Finance is looking for, I think, is the same kind of information from other members of Parliament, so that he can take their viewpoints into consideration.

These are the comments I wanted to share with you and my colleagues in the House of Commons.

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I listened carefully, although with a little bit of difficulty, to the remarks made by my colleague opposite. He talked about the consultations that the Minister of Finance has been holding for a month now.

We could easily accept his arguments if the Minister of Finance were the only one holding consultations. Unfortunately, we have a government that is continually consulting. The 25 committees consult and so do the departments. And while all these consultations are taking place, no decision is made. I think the government is trying to muddle the issues by making Canadians believe that it is taking their opinion into consideration. After all these consultations, decisions will eventually be made, but they are constantly being delayed.

Instead of talking about what divides us, I would like to ask my colleague from St. Boniface a question about what unites us.

• (1820)

The redistribution of wealth has united this country for more than 25 years. We have, in Canada and in Quebec, a unique social system and I think we should be careful not to lose it. My concern and the concern of all members of the Bloc is that the government may destroy this system, reduce it, make it less effective.

And our greatest fear is that middle and low–income Canadians will end up paying the price. My question is this: Can the member for St. Boniface assure this House that it is not only middle and low–income Canadians that will end up paying for these changes?

Mr. Duhamel: Mr. Speaker, I thank my colleague for his comments and questions. Yes, absolutely, the Prime Minister said in the House that social programs needed to be changed because they were created many years ago for conditions which are no longer the same.

He also said a few days ago that saving money was not a priority. If we can make savings at the same time, fine. I also said in my speech—and this is why I was surprised to hear my colleague say that he listened carefully to my speech, but had some difficulty with it—, that we should not take money from the most disadvantaged.

I said it many times. I even gave several examples. So why did he have so much difficulty? The other thing that I am really afraid of is that he accused the government of consulting. Does that mean that if his party ever formed the government, it would not consult? Aha! That is what is being suggested. If it were the government, the Bloc Quebecois would not consult.

Of course we are consulting. We do not need to present a budget until February 1995. What should we be doing? Make decisions without consulting? That is what the Bloc would do. I find that most disturbing.

[*English*]

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I appreciate much of what the member said.

Certainly consulting with constituents is what we have all been attempting to do for quite some time. Whether it is at a farmers' market or a town hall meeting all of us have heard the message. A lot of what he said is the same message we are hearing.

One thing really interests me when he talked about the underground economy. There is a sort of dream that if they thought it was fair they would all just rush in and start paying tax. I question whether that is true. I think the underground economy is huge and is much greater than what we have imagined.

I wonder what the member thinks about the single tax proposal or the flat tax proposal. The reason I ask that is does he not think that if we totally reformed the tax system and everybody felt they were being treated fairly that is how we would get back to people being willing to pay their taxes? It is not just by the cosmetic changes we are talking about.

Mr. Duhamel: Mr. Speaker, I appreciate my colleague's question. It is a fair one and he makes a number of good points.

If in my remarks I suggested that I thought Canadians all of a sudden would want to pay taxes as a result of some changes in the system that was not my intent. My constituents told me with respect to the black market economy that they felt there were loopholes for some individuals, perhaps wealthier Canadians and perhaps government ought to consider whether or not certain aspects of the black market economy were loopholes for poor or lower middle class or middle class Canadians.

The question was raised. I do not know the answer to the question but I certainly do not want to give the impression that people thought that would correct the problem. The problem is much more complex. It is very difficult to quantify as my colleague has mentioned, and as the Minister of Finance or the

Minister of National Revenue indicated today. I want to make sure we are on the same wavelength and I think we are.

With respect to the flat tax, I must confess that I have done quite a lot of reading on it. One of my colleagues has taken a great deal of interest in it. I do not know enough about taxes generally to be able to say that is the way to go. Not only have I read the material but I have read critiques of it both in favour and not in favour.

• (1825)

It would bother me if the flat tax was not sensitive to those in the lower income brackets. I think it could be. We are talking about Canadians who earn $7,000 to $12,000 a year. Those people really should not pay any taxes. Therefore I could not support it from that perspective.

Let me say as a final comment that I am quite willing to support any type of taxation that is sensitive to the various economic realities in the country. I want it to be fair but I also want it to be perceived to be fair by Canadians because if they do not have that perception it does not matter whether it is flat or what have you it just will not work. It simply will not work.

What we have to be aware of is if we were to change the taxation system completely, and for the moment let us say it was a flat tax, there could be many potential ramifications that we had not anticipated. We have to anticipate the potential negative impacts on Canadians. I would want to make sure those were understood before going forward with the change.

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, I always appreciate what the hon. member for St. Boniface has to say in this House. I would like to ask the hon. member whether, to his dying breath—I was going to say, looking at the hon. member for Bonaventure—Îles-de-la-Madeleine, when it really comes to the crunch—he will objet to any tampering by the government with RRSPs?

For the average Canadian taxpayer, it is practically the only vehicle available, one that was used by our parents and grandparents to save some money for their retirement. Today, however, that feeling of security has vanished because they are concerned government policies may cut into the savings that many have been keeping for their retirement. In view of galloping inflation, they may think this vehicle is no longer a safe one. Has the hon. member for St. Boniface met people in his constituency who have the same concerns? And how did he respond to those concerns?

Mr. Duhamel: Mr. Speaker, I appreciate the hon. member's question. Yes, that question came up several times. I am not prepared to support taxes or measures that will prevent any man, woman or couple from retiring with the money they need to live with a certain amount of dignity.

Before making a statement, however, and this is not to evade the issue, I want to understand the larger picture, what the Minister of Finance intends to do. If you ask me today to say yes or no, I cannot do that as a responsible member, because I do not know yet—I have the impression I will probably know as soon as you do—what will be in the budget that is brought down in February.

However, I can assure the hon. member that the question was raised. Yes, my answers were similar to the one I just gave and yes, I intend to support measures that will make the system fairer, if possible, and also fairer in the perception of the general public. I do not want measures that will prevent people from retiring with enough money to live with a lot of dignity, not just a little.

[*English*]

The Acting Speaker (Mr. Kilger): The member's time has elapsed and rather than ask someone to begin an intervention with little more than a minute left would there be unanimous consent that I see the clock as being 6.30 p.m.?

Some hon. members: Agreed.

* * *

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed from November 24 consideration of Bill C-57, an act to implement the agreement establishing the World Trade Organization, as reported (with amendments) from the committee; and Motions Nos. 1, 2, 8, 9 and 10.

The Acting Speaker (Mr. Kilger): It being 6.30 p.m., pursuant to Standing Order 45 the House will now proceed to the taking of the deferred divisions at the report stage of Bill C-57, an act to implement the agreement establishing the World Trade Organization.

Call in the members.

• (1850)

[*Translation*]

And the division bells having rung:

Mr. Duceppe: Mr. Speaker, I think you will find there is unanimous consent for proceeding first with Motion No. 10.

The Acting Speaker (Mr. Kilger): Agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): The first vote will be on Motion No. 10, standing in the name of the hon. member for Verchères.

(The House divided on the motion, which was negatived on the following division:)

Government Orders

(Division No. 118)

YEAS

Members

Bachand
Bergeron
Blaikie
Chrétien (Frontenac)
de Jong
Duceppe
Gagnon (Québec)
Godin
Jacob
Langlois
Lefebvre
Loubier
Ménard
Solomon
Taylor

Bellehumeur
Bernier (Gaspé)
Brien
Daviault
de Savoye
Fillion
Gauthier (Roberval)
Guimond
Landry
Lavigne (Beauharnois—Salaberry)
Leroux (Shefford)
McLaughlin
Nunez
St-Laurent
Venne—30

NAYS

Members

Adams
Anderson
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bertrand
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Campbell
Catterall
Clancy
Cowling
Cummins
Discepola
Duhamel
Dupuy
English
Finestone
Flis
Frazer
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Graham
Grey (Beaver River)
Guarnieri
Hanrahan
Harper (Calgary West)
Harvard
Hermanson
Hill (Macleod)
Hopkins
Ianno
Irwin
Karygiannis
Knutson
Lavigne (Verdun—Saint-Paul)
Loney
MacLaren (Etobicoke North)
Malhi
Manley
Massé
McClelland (Edmonton Southwest)
McKinnon
Meredith
Milliken
Mills (Red Deer)
Morrison
Murray
Pagtakhan
Peters
Phinney
Proud

Allmand
Arseneault
Baker
Barnes
Bellemare
Berger
Bethel
Bonin
Bridgman
Brushett
Bélair
Cannis
Chan
Collenette
Culbert
Dhaliwal
Dromisky
Duncan
Eggleton
Epp
Finlay
Forseth
Gaffney
Gallaway
Godfrey
Gray (Windsor West)
Grose
Hanger
Harb
Hart
Hayes
Hickey
Hoeppner
Hubbard
Iftody
Jennings
Kirkby
Lastewka
Lee
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Martin (LaSalle—Émard)
Mayfield
McGuire
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murphy
O'Reilly
Payne
Peterson
Pickard (Essex—Kent)
Ramsay
Richardson
Rompkey
Shepherd
Solberg
Speller
Stewart (Brant)
Stinson
Telegdi
Thompson
Torsney
Volpe
Wappel
Whelan
Wood

Ringma
Serré
Silye
Speaker
Steckle
Stewart (Northumberland)
Szabo
Thalheimer
Tobin
Vanclief
Walker
Wells
White (Fraser Valley West)
Young —138

PAIRED MEMBERS

Members

Asselin
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Caccia
Caron
Chamberlain
Crête
Debien
Dingwall
Dumas
Fontana
Goodale
Keyes
Laurin
Lebel
Leroux (Richmond—Wolfe)
Marchi
McTeague
Minna
Nault
Parrish
Patry
Plamondon
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Simmons
Tremblay (Rosemont)
Zed

Augustine
Bevilacqua
Bélisle
Canuel
Cauchon
Copps
Dalphond-Guiral
Deshaies
Dubé
Fewchuk
Gagliano
Guay
Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)
Leblanc (Longueuil)
Marchand
McCormick
Mercier
Mitchell
Ouellet
Paré
Picard (Drummond)
Pomerleau
Rocheleau
Sauvageau
Sheridan
Tremblay (Rimouski—Témiscouata)
Ur

• (1855)

The Acting Speaker (Mr. Kilger): I declare the motion lost.

[*English*]

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that the vote taken on report stage Motion No. 10 be applied to report stage Motion Nos. 1, 2, 8 and 9.

• (1900)

Mr. Allmand: Mr. Speaker, I do not wish to be registered as opposing Motion No. 9.

The Acting Speaker (Mr. Kilger): All other votes stand as recorded on Motion No. 10. Accordingly, Motions Nos. 1, 2 and 8 are negatived.

[*Editor's Note: For Motions 1, 2 and 8 see Division No. 11B.*]

(The House divided on Motion No. 9, which was negatived on the following division:)

(Division No. 119)

YEAS

Members

Bachand
Bergeron
Blaikie
Chrétien (Frontenac)
de Jong
Duceppe
Gagnon (Québec)
Godin
Jacob
Langlois
Lefebvre
Loubier
Ménard
Solomon
Taylor

Bellehumeur
Bernier (Gaspé)
Brien
Daviault
de Savoye
Fillion
Gauthier (Roberval)
Guimond
Landry
Lavigne (Beauharnois—Salaberry)
Leroux (Shefford)
McLaughlin
Nunez
St-Laurent
Venne—30

NAYS

Members

Adams
Arseneault
Baker
Barnes
Bellemare
Berger
Bethel
Bonin
Bridgman
Brushett
Bélair
Cannis
Chan
Collenette
Culbert
Dhaliwal
Dromisky
Duncan
Eggleton
Epp
Finlay
Forseth
Gaffney
Gallaway
Godfrey
Gray (Windsor West)
Grose
Hanger
Harb
Hart
Hayes
Hickey
Hoeppner
Hubbard
Iftody
Jennings
Kirkby
Lastewka
Lee
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Martin (LaSalle—Émard)
Mayfield
McGuire
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murphy
O'Reilly
Payne
Peterson
Pickard (Essex—Kent)
Ramsay

Anderson
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bertrand
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Campbell
Catterall
Clancy
Cowling
Cummins
Discepola
Duhamel
Dupuy
English
Finestone
Flis
Frazer
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Graham
Grey (Beaver River)
Guarnieri
Hanrahan
Harper (Calgary West)
Harvard
Hermanson
Hill (Macleod)
Hopkins
Ianno
Irwin
Karygiannis
Knutson
Lavigne (Verdun—Saint-Paul)
Loney
MacLaren (Etobicoke North)
Malhi
Manley
Massé
McClelland (Edmonton Southwest)
McKinnon
Meredith
Milliken
Mills (Red Deer)
Morrison
Murray
Pagtakhan
Peters
Phinney
Proud
Richardson
Ringma
Serré
Silye
Speaker
Steckle
Stewart (Northumberland)
Szabo
Thalheimer
Tobin
Vanclief
Walker
Wells
White (Fraser Valley West)
Young —137

Rompkey
Shepherd
Solberg
Speller
Stewart (Brant)
Stinson
Telegdi
Thompson
Torsney
Volpe
Wappel
Whelan
Wood

PAIRED MEMBERS

Members

Asselin
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Caccia
Caron
Chamberlain
Crête
Debien
Dingwall
Dumas
Fontana
Goodale
Keyes
Laurin
Lebel
Leroux (Richmond—Wolfe)
Marchi
McTeague
Minna
Nault
Parrish
Patry
Plamondon
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Simmons
Tremblay (Rosemont)
Zed

Augustine
Bevilacqua
Bélisle
Canuel
Cauchon
Copps
Dalphond-Guiral
Deshaies
Dubé
Fewchuk
Gagliano
Guay
Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)
Leblanc (Longueuil)
Marchand
McCormick
Mercier
Mitchell
Ouellet
Paré
Picard (Drummond)
Pomerleau
Rocheleau
Sauvageau
Sheridan
Tremblay (Rimouski—Témiscouata)
Ur

Hon. Roy MacLaren (Minister for International Trade, Lib.) moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that the whips of each party indicate the way the members of their party will vote. For my part, the Liberal members will vote yea to that particular motion.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the members of the Bloc Quebecois will also support this motion.

[*English*]

Mr. Silye: Mr. Speaker, the Reform Party members present today vote yea.

Mr. Solomon: Mr. Speaker, the members of the New Democratic Party vote no on this motion.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 120)

YEAS

Members

Adams
Anderson
Axworthy (Winnipeg South Centre)
Baker
Barnes
Bellehumeur
Benoit
Bergeron
Bertrand
Bodnar
Boudria
Brien
Brushett
Bélair
Cannis
Chan
Clancy
Cowling
Cummins
de Savoye
Discepola
Duceppe
Duncan
Eggleton
Epp
Finestone
Flis
Frazer
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway
Gerrard
Godin
Gray (Windsor West)
Grose
Guimond
Hanrahan
Harper (Calgary West)
Harvard
Hermanson
Hill (Macleod)
Hopkins
Ianno
Irwin
Jennings
Kirkby
Landry
Lastewka
Lavigne (Verdun—Saint-Paul)
Lefebvre
Loney
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Martin (LaSalle—Émard)
Mayfield
Allmand
Arseneault
Bachand
Bakopanos
Beaumier
Bellemare
Berger
Bernier (Gaspé)
Bethel
Bonin
Bridgman
Brown (Oakville—Milton)
Bryden
Campbell
Catterall
Chrétien (Frontenac)
Collenette
Culbert
Daviault
Dhaliwal
Dromisky
Duhamel
Dupuy
English
Fillion
Finlay
Forseth
Gaffney
Gagnon (Québec)
Gauthier (Roberval)
Godfrey
Graham
Grey (Beaver River)
Guarnieri
Hanger
Harb
Hart
Hayes
Hickey
Hoeppner
Hubbard
Iftody
Jacob
Karygiannis
Knutson
Langlois
Lavigne (Beauharnois—Salaberry)
Lee
Leroux (Shefford)
Loubier
MacLaren (Etobicoke North)
Malhi
Manley
Massé
McClelland (Edmonton Southwest)
McGuire
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murphy
Ménard
O'Reilly
Payne
Peterson
Pickard (Essex—Kent)
Ramsay
Ringma
Serré
Silye
Speaker
St-Laurent
Stewart (Brant)
Stinson
Telegdi
Thompson
Torsney
Venne
Walker
Wells
White (Fraser Valley West)
Young —163
McKinnon
Meredith
Milliken
Mills (Red Deer)
Morrison
Murray
Nunez
Pagtakhan
Peters
Phinney
Proud
Richardson
Rompkey
Shepherd
Solberg
Speller
Steckle
Stewart (Northumberland)
Szabo
Thalheimer
Tobin
Vanclief
Volpe
Wappel
Whelan
Wood

NAYS

Members

Blaikie
McLaughlin
Taylor—5
de Jong
Solomon

PAIRED MEMBERS

Members

Asselin
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Caccia
Caron
Chamberlain
Crête
Debien
Dingwall
Dumas
Fontana
Goodale
Keyes
Laurin
Lebel
Leroux (Richmond—Wolfe)
Marchi
McTeague
Minna
Nault
Parrish
Patry
Plamondon
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Simmons
Tremblay (Rosemont)
Zed
Augustine
Bevilacqua
Bélisle
Canuel
Cauchon
Copps
Dalphond-Guiral
Deshaies
Dubé
Fewchuk
Gagliano
Guay
Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)
Leblanc (Longueuil)
Marchand
McCormick
Mercier
Mitchell
Ouellet
Paré
Picard (Drummond)
Pomerleau
Rocheleau
Sauvageau
Sheridan
Tremblay (Rimouski—Témiscouata)
Ur

The Acting Speaker (Mr. Kilger): Colleagues, for those of us who must continue with the proceedings on the adjournment motion, I would ask those of you not involved to please retire

from the Chamber so that we might continue with the proceedings.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, on November 16, I asked a question of the Minister of Citizenship and Immigration about the system of patronage created by the previous government in the IRB and maintained by this government in its appointments to the board.

Indeed, there are very serious internal problems within the board between members appointed by the Conservatives and others appointed by the Liberals. That patronage had been denounced in the report commissioned by the minister himself and written by Professor James Hathaway of York University in Toronto. Unexpected and unexplained resignations and suspensions have occurred recently in that quasi–judiciary body.

For instance, we can mention the cases of Michael Schelew, deputy chairman, who is actually under a judiciary investigation; Greg Fyffe, executive director, who resigned under unexplained circumstances. Board member Singh Bal had to resign following a review of appointments by the Standing Committee on Immigration and Citizenship because he came to Canada illegally.

• (1905)

For all those reasons, the Bloc Quebecois has asked and will continue to ask for a thorough investigation on the general operations of the board.

I take this opportunity to once more draw to the attention of the government the genocide in Rwanda and the tragic situation of its people. Unfortunately war has not ended in that country. Thousands upon thousands of people are murdered or forced to leave their country and Canada does very little to help those refugees.

As opposition critic for citizenship and immigration, I receive complaints just about every day regarding the unjustified refusal to grant visas as well as the red tape to which Rwandans in Nairobi, Kenya, are being subjected. The government must be more open, more generous with Rwandan refugees.

Finally, I would like to say a couple of words about proposition 187, adopted by referendum in California, on November 8, during the American elections. If enacted, this proposal will deny illegal immigrants and their family, especially their children, access to health care, education and social services. The victims of this attack against fundamental human rights are, for the most part, Hispanics from Mexico and Central America.

I recently travelled to Costa Rica where I witnessed the unanimous condemnation of this proposal by the different governments of this region. The Secretary General of the OAS also criticized this measure. In the United States, President Clinton, the Conference of Catholic Bishops, and agencies fighting racial discrimination denounced this measure.

I join the thousands of Hispanics living in the United States who are protesting this proposition, and assure them of my support.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, while I thank the hon. member for his intervention, I have to say that I am at a bit of a loss as it bears little or no relation to the question that he asked at the time. However, I will be happy to respond.

I certainly agree with the hon. member, as would just about everybody on this side of the House, with regard to his comments relating to the situation in California. I would like to assure the hon. member that he need not fear any such situation ever taking place in this country, at least not while this government is in charge of policy.

With regard to the situation in Rwanda, as the minister has told the member on several occasions, the situation is extremely difficult and complicated. The immigration service overseas is doing the very best it can given the chaotic situation. It would be unwise of us, not to say criminal, to put Canadian personnel at risk. It would not help the situation of refugees if we put Canadian personnel in a situation in which they would be unsafe.

We are dealing with the matter as expeditiously and as quickly as we can under the auspices of the UNHCR and we will continue to do so. We thank the member for his interest. We suggest to him that if he knows of specific situations in which things are going wrong through some difficulty with the department he should let us know.

[*Translation*]

RAILWAY TRANSPORTATION

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, last week, last Tuesday to be more precise, I asked the Minister of Transport, following the two train tragedies, if he had instructed VIA Rail officials to immediately correct the shortcomings with respect to emergency measures and first aid for passengers in case of a train accident.

The minister did answer my question, confirming that he had asked VIA Rail to take all necessary measures on a provisional basis to try and correct the shortcomings, thereby ensuring to the extent possible the safety of passengers and employees. That is where the problem lies. The minister said: "to the extent possible".

• (1910)

Does the minister realize that what is possible is determined by his office? Indeed, the emergency measures and all first–aid kits met DOT standards. It is up to the minister to upgrade these standards.

I am not satisfied with the minister's answer when he says that the measures required, the applicable measures will be determined on the basis of the investigation. The Minister of Transport knows full well what safety measures are required. It is those he has implemented in other means of transportation.

The minister must have the same measures apply to rail transportation, starting immediately. The minister may be hiding behind the fact that trains are the safest means of transportation. He even told me that it was an unprecedented situation.

However, that is no reason not to review safety standards in case of accident. We should not wait for another accident to happen before taking action. It is up to the Minister of Transport to act, and he must act now by upgrading safety standards. We must not forget that the statements of accident victims show that VIA Rail is not prepared and equipped for emergencies, as evidenced by the fact that the passengers could not open the doors, that they had to break the windows to get out, that first–aid kits only contained bandage rolls.

The facts are obvious. Safety standards are clearly inadequate and must be upgraded without delay, especially since even VIA Rail employees feel that they lack the training and the equipment needed to respond effectively to such an emergency. It is a very serious situation when the employees themselves feel they are poorly trained to deal with a situation like this.

I reiterate my question to the minister: Does the minister intend to upgrade safety standards? The minister must be aware that more people could have been hurt or killed in this accident and that we must do all we can to avoid this kind of tragedy in the future.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, I would like to take this opportunity to respond to the comments of the hon. member for Chicoutimi with respect to the railway accidents at Brighton and Rimouski.

I would like to start by saying I probably travel more by train than any other member in this House and, incidentally, my father was on the train going to the Gaspé when it jumped the tracks, so what the hon. member said touched a personal chord.

I have nothing to add to what was said by the Department of Transport last week. Emergency exits, first aid kits and emergency evacuation procedures are all matters of concern. I may remind hon. members that the Minister of Transport, the government, VIA Rail and Transport Canada see these elements as a priority and intend to ensure there is a thorough investigation.

However, the Transportation Safety Board, as the minister pointed out, is the body that was created by Parliament to investigate transportation accidents, which it is doing in this particular case. If the investigation reveals any irregularities with respect to the ability to intervene, it will be in a position to advise Transport Canada immediately.

The police forces concerned, both the VIA Rail contingent and the public police forces, are either conducting their own investigations or pooling their efforts, as well as stepping up the application of regulations and their own readiness. Furthermore, VIA Rail has already started a preliminary review of the accident and internal procedures.

In concluding, I would like to quote what was said by the minister: "We are going to do everything we can at VIA Rail, at Transport Canada, and at the police forces. Every possible avenue will be explored to make sure that the people who travel in Canada on VIA Rail trains can do so in safety and security".

[*English*]

HEALTH CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, on September 20, I asked the Prime Minister a question that I think is extremely important if we are to have a federal health care system in this country. The question related to the private clinics in Alberta and what action the right hon. Prime Minister was prepared to take on this contravention of the Canada Health Act. At the time the Prime Minister responded that he was committed to maintaining a system where medicare was free and portable for everybody.

• (1915)

Clearly what we see in Alberta is a two–tier health care system in operation. It is not hypothetical but in operation. There is no doubt that private clinics are part of the two–tier system. Certainly any research that has been done indicates that it would be a contravention of the Canada Health Act. Yet the federal government has refused to act.

At the same time we see the premier of Alberta cutting back general health care by some 20 per cent from the province's health care budget by 1997, as he has projected. While it is clear that many ordinary Albertans will have difficulty getting health care, at the same time the two–tier system is allowed to flourish.

If one looks at the current situation in Alberta, one example is that the number of hospital beds in Edmonton has been reduced by 20 per cent. These cuts have had very tragic consequences for many Albertans. Now we hear many stories coming from Alberta about the devastating effects of some of the cuts. If the transfer payment system continues as it is, federal transfers will be phased out for all provinces by the year 2015. That indeed would be the end of a truly national system.

On the one hand in private clinics patients are being charged a fee on top of what the clinic charges the government health insurance plan. Clearly it is a case of government health care plans paying and the consumer paying on top of that.

It is clearly a violation of the Canada Health Act. It is one that must be dealt with immediately and effectively if the federal government is to fulfil its commitment to have a Canada health care system and preserve the five important components of the system. Of course it will not be done if the federal government does not continue its contribution through the equalized program funding.

In answer to my question on September 20 the right hon. Prime Minister concluded by saying: "I hope that Mr. Klein will respect the laws of Canada".

I would like to raise the question again. Hoping that this breach of the Canada Health Act will be dealt with is not good enough. I repeat my question: What is the government prepared to do?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I thank the leader of the New Democratic Party for keeping to the question that she had originally asked. It is refreshing.

The government believes it is very doubtful that a private system offering health services as consumer goods for profit would benefit the health of Canadians.

At the September 1994 conference of health ministers all ministers present, with the exception of Alberta, reached an agreement to regulate private clinics. It is clear that all provinces, with the exception of Alberta, are ready to take steps to end charges for medically necessary care at private clinics.

The imposition of facility fees is not a direction in which these provinces and the federal government see our health care system moving. Our health care system is evolving. Alternatives for health care may involve care clinics instead of an institutionalized setting. This can be beneficial. However, if it is accompanied by charges for medically necessary care, it will not be consistent with what has been the history of our publicly funded system.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38 the motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24.

(The House adjourned at 7.20 p.m.)

HOUSE OF COMMONS

Tuesday, November 29, 1994

The House met at 10 a.m.

Prayers

[*English*]

POINTS OF ORDER

ARTICLE IN OTTAWA *CITIZEN*

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I have a point of order regarding a conversation you and I had yesterday concerning a newspaper article that came out recently in the Ottawa *Citizen*. You had some concern that I was questioning the integrity of the Chair.

I would like to put on the record that I in no way am imputing any motives to you and that I am not questioning the integrity of the Chair or the Speaker.

The Speaker: I take it then there is a complete withdrawal of any statements which were attributed to her in the article?

Miss Grey: Yes, Mr. Speaker.

The Speaker: I thank the hon. member very much for her statement. These things happen from time to time. Quotations are taken out of context and I want the hon. member and the House to know that I accept her statement and I consider the matter closed.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (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 16 petitions.

• (1005)

PETITIONS

ASSISTED SUICIDE

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, it is a pleasure to rise in the House today to present two petitions. The first petition is on behalf of 40 residents of Edmonton Southwest and was put together by Lynette Ruptash. It asks that physicians not get involved in the taking of lives but to save lives. It brings to our attention the fact that the majority of Canadians are law–abiding citizens who respect the law and the sanctity of human life. The second petition has 30 signatures. It also asks that physicians not be involved in the taking of human life. It is against the whole notion of euthanasia and it is my pleasure to present it to the House.

YOUNG OFFENDERS ACT

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, in accordance with Standing Order 36 I would like to present a petition on behalf of the residents of Athabasca.

The petition requests an act serious enough to deter young people from committing crimes and tough enough to provide real justice.

I submit the petition and I support the petitioners.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I rise to present a petition signed by 2,318 constituents of North Island—Powell River. They respectfully request the government enact stronger legislation to deal with young offenders of all crimes, to make them more accountable for their actions.

I endorse this petition. It was signed by 11.5 per cent of the people who live in the Powell River region and a higher percentage of the adult population.

HUMAN RIGHTS

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I rise to present a further two petitions.

The third petition asks the Parliament of Canada not to change any laws which would have the effect of including sexual orientation in the human rights act or as a prohibited grounds of discrimination.

ASSISTED SUICIDE

Mr. Ian McClelland (Edmonton Southwest, Ref.): I have a further 30–name petition against euthanasia.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask that all questions be allowed to stand.

[*English*]

Mr. McClelland: Mr. Speaker, on May 10 I submitted a question to the Minister of Health on the Order Paper. I wonder if the hon. parliamentary secretary to the House leader would respond to it.

Mr. Milliken: Yes, Mr. Speaker, I know that the hon. member has been very patient in waiting for the answer to his question. I assure him I have seen a draft reply to the question. It was unsatisfactory in that it did not provide an answer for the hon. member and it was sent back for further revision.

I am optimistic that a full and complete answer will be forthcoming very shortly. As soon as I receive it I will be more than happy to provide it to the hon. member here in the House.

The Acting Speaker (Mr. Kilger): Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

Hon. Douglas Peters (for the Minister for International Trade) moved that Bill C–57, an act to implement the agreement establishing the World Trade Organization, be read the third time and passed.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, the legislation we are considering today at third reading, Bill C–57, an act to implement the agreement establishing the World Trade Organization, will ensure the implementation of the GATT Uruguay round agreement which the Minister for International Trade signed on behalf of Canada in Marrakech on April 15, 1994.

Adoption of this legislation would enable Canada to reap the benefits of the biggest trade deal in history by creating a more open and stable international trading environment. This agreement will generate increased Canadian exports and investment which are crucial to Canada's continuing prosperity in the achievement of the government's jobs and growth agenda.

• (1010)

Since the second world war Canada's trade with other countries has risen by over 70 per cent as a share of the gross domestic product. This is due to trade liberalization, our ability to explore trade opportunities and a reduction of average tariff rates to Canada from over 10 per cent to an average as low as 3 per cent in 1992 figures. While this alone may not be directly responsible for economic growth, one can clearly conclude that trade liberalization and the removal of trade barriers such as tariffs can generate economic gains while at the same time create jobs.

Free trade and trade agreements have to be fair, comprehensive and transparent. Despite some of the unresolved trade issues between Canada and our trading partners, I believe that Canada's trade interests are served today more than ever before. Since the adoption of the first general agreement on tariffs and trade, GATT, in the 1940s, global production has increased over five times and the quality of life has improved for trading countries. Many trade barriers were removed and many third world countries moved up to join the ranks of developed economies. However, there is still room for improvement.

Before assuming office the government made it clear that we would continue to support the GATT as a cornerstone of Canada's trade policy. We undertook to focus our effort on breaking the deadlock in the Uruguay round negotiation and on building a new World Trade Organization. This legislation is the fruit of those efforts. The Uruguay round was the largest, most comprehensive trade negotiation ever undertaken.

The final package contains over 30 agreements, understandings and declarations. These agreements made many important gains for Canada. The following stand out as highlights for us.

First, the market access package includes the largest tariff deal in history with most industrial tariffs being cut by at least one–third. Second, the agricultural sector is brought under the rules based multilateral regime for the first time ever. Third, trade and services and trade related intellectual properties are brought within the framework of multilateral disciplines. Fourth, the agreement thoroughly reforms and strengthens subsidy and trade remedy rules, thus realizing one of Canada's priority objectives going into the round. Fifth, the new integrated dispute settlement system with clearer rules, tighter deadlines, an appeal process and binding effect is a major improvement over the existing GATT system and should effectively preclude unilateral measures responding to trade disputes.

Finally, the crowning achievement of the Uruguay round is the creation of a new World Trade Organization, WTO, that will oversee the preparation of the complex series of agreements resulting from the round. It will put international trade on a firm institutional footing. The World Trade Organization will be-

come the third pillar, along with the World Bank and the International Monetary Fund, of the world's commercial and financial structure.

Completion of the Uruguay round will have major implications for the world and for the Canadian economy well into the next century.

[*Translation*]

The GATT secretariat estimates that, in year 2005, global revenues will be at least $500 billion US higher than what they would have been without the Uruguay Round. Based on a conservative economic assumption, we estimate that quantifiable gains to Canada will amount to at least 0.4 per cent in terms of real income, or $3 billion per annum, once the agreement is fully in force. This means an income increase of $400 per year for each Canadian household.

However, these quantifiable gains are only a portion of the real earnings that we are almost sure to enjoy. Clearly, for Canada, the challenge now is to optimize its share of the economic benefits resulting from the Uruguay Round, through increased trade and investments, which in turn will promote job creation, higher income and a higher actual standard of living.

• (1015)

There are tremendous opportunities. In several traditionally strong sectors of the Canadian economy, such as forest, chemical and pharmaceutical products, tariffs will be eliminated or substantially reduced world–wide, not to mention that major non–tariff barriers will fall.

Our service sector, which accounts for 20 per cent of our export earnings, will benefit from more open and stable global markets. New agreements on intellectual property rights on exported goods, combined with clearer rules of the game for supporting research and development, will open up new prospects for our technology and knowledge intensive industries.

I especially want to emphasize the export and growth opportunities now open to small and medium sized enterprises to expand onto new niche markets abroad. It is these firms that are now the most important source of job creation in Canada.

[*English*]

Our service sector which accounts for 20 per cent of export earnings would benefit from improved and more secure global opportunities. New agreements on trade related intellectual property rights combined with clearer rules of the game for supporting research and development will open up new prospects for our technology and knowledge intensive industries.

I want to especially emphasize the export and growth opportunities presented to small and medium size enterprises to expand into new niche markets abroad. It is these firms that are now the most important source of job creation across Canada.

There is a saying that if one does not use it one will lose it. If our Canadian small and medium size businesses do not respond to these new opportunities our economy stands to lose a great deal. Here is why. Between 1979 and 1989 small and medium size firms created over 85 per cent of net jobs representing over 2.2 million people. Out of 920,729 firms in 1992 figures, 920,233 or.99.8 per cent of firms were small and medium size with less than 100 employees. Out of 10,736,700 private sector jobs, there are over 6,360,000 or around 59 per cent who are employed by small and medium size enterprise. Therefore, most of the new jobs will be generated by this sector of our economy.

These figures follow a similar trend in most developed countries. If we were to compare the number of Canadian firms involved in trade with other countries we would find that Canadian small and medium size businesses are missing many opportunities. In fact, according to a 1990 study, 100 Canadian companies accounted for more than 60 per cent of the $141 billion of exports and only 7.6 per cent of all Canadian firms exported at all. However in Korea 42 per cent of their export is done by small and medium enterprise and in Taiwan it is 55.9 per cent. In China, 50 per cent of small and medium size enterprises are involved in export.

To increase the number of small and medium size enterprises involved in trade we must involve our small business sector and different levels of government must respond to their needs and concerns. Of course our competitors are already focusing on these very same opportunities. However, we must be smarter, more persistent and more aggressive in identifying and exploiting the hard won gains in access to both traditional and newly emerging markets around the world.

In response to this challenge the government has recently launched an international business initiative called Access 95. It is designed to translate the complex Uruguay round market opening measures into a strategy that targets the best export prospects among the billions of dollars in newly accessible global opportunities.

• (1020)

This initiative will help our business partners to select and develop more efficiently those new markets offering the highest value added returns over the long term. By enhancing industrial competitiveness, Access 95 will contribute to our domestic growth strategy to attract investment in the high tech industries and the jobs of the future.

Before outlining the Access 95 initiatives, I would like to highlight international trade opportunities that should open up to export industries across the country as a result of legislation before us today.

Agricultural producers across western Canada should benefit from a gradual increase in international prices for grains or oilseeds and special crops over the six year transition period and from expanded export opportunities.

Canadians will compete in a fair environment as European and American export subsidies for agricultural products are cut by 36 per cent. Quantitative import restrictions and variable import levies will be replaced by tariffs that will be cut by 15 per cent over six years, thereby stabilizing the export markets in Europe, Asia and Latin America for wheat, canola, barley, malt and alfalfa.

Our beef and pork producers should also profit from the replacement of foreign import restrictions and levies with a tariff based regime, as well as from improved and more uniform rules on sanitary and phytosanitary measures. These should foster increased export of breeding stock, embryos, plus beef and pork products to Europe, Japan, Korea and Australia.

Agri–food producers across the country can take advantage of greatly improved export prospects, especially for dairy products, seed potatoes, fresh and processed fruits, vegetables, beer, whisky and horticultural products.

Clearer international rules and fairer phytosanitary regulations will further stimulate exports and encourage Canadian processors to invest and plan upgrades and expansions. Our consumers will also benefit from access to a broader range of lower cost food products.

Manufacturers of horticultural, construction and mining machinery in Alberta, Saskatchewan, Manitoba and Ontario will be able to build on the economies of scale which have already resulted from improved access to the U.S. market. The elimination of tariffs on many of these machineries in major offshore markets should spur our exports.

Western Canadian producers of large scale and special crop farming technologies are especially well positioned to take advantage of new market opportunities as our exporters of construction and mining material and handling equipment.

Export oriented chemical producers in Alberta, Saskatchewan, Quebec and Ontario can also capitalize on tariff cuts of over 40 per cent and harmonization of rates between zero and 6 per cent. The prospects are excellent for chemical commodities in major industrial markets and for specialty products in each market.

[*Translation*]

Computer and instrumentation companies concentrated in Quebec and Ontario should welcome with enthusiasm the elimination or considerable reduction of tariffs in major industrial markets. They will enjoy wider access because of tariff consolidation in newly industrialized countries and tighter implementation of technical standards.

The generalized elimination of non–tariff barriers will open up new markets for manufacturers of computers and computer parts. The new rules on services and investments and better copyright protection will facilitate trade in computer services linked to hardware and software sales.

Manufacturers of electronics and industrial machinery throughout Canada should get ready to exploit new and exceptional export opportunities in key industrial markets where tariffs on electronics, most electrical appliances and industrial machinery will sometimes be cut by 65 per cent. Lower tariffs will also bring down the price of imported machinery, which is good news to Canadian investors thinking of equipping or modernizing their plants.

• (1025)

[*English*]

The fisheries industry in Newfoundland, Prince Edward Island, Nova Scotia and British Columbia can diversify exports of basic fish items and higher value added fish products to Europe, Japan and Korea where tariffs will be cut between 8 per cent and 30 per cent and non–tariff barriers reduced. Canadian tariffs on a wide variety of fish processing inputs and equipment will be reduced or eliminated.

The primary and fabricated metals industries in British Columbia, Saskatchewan, Ontario and Quebec can also take advantage of substantial reductions on tariff and non–tariff barriers by our main trading partners to boost sales of primary and fabricated metals such as aluminum, nickel, zinc and copper. This could well induce new investment over the long term. Tariffs are to be eliminated on a wide range of steel products, creating a more stable investment climate and more secure access to key industrialized markets.

The subsidies and countervail agreement would provide clearer rules on actions that may be taken against our competitors' sales of subsidized iron and steel products that displace Canadian products in foreign markets as well as in the subsidizing country's domestic market.

Pharmaceutical and medical devices exporters across Canada will be major beneficiaries of the agreement as key trading partners eliminate pharmaceutical tariffs and reduce a wide range of non–tariff barriers. This more dynamic trading environment should foster Canadian research and development, investment and expansion of manufacturing. Freer trade with

developing countries should favour the export of specialized drug products. Export prospects for high technology medical devices in Europe and Asia should also improve along with sales of standard devices to Latin America.

For these industries which are driven by major and rapid technological innovation, the new intellectual property agreement will be of particular benefit in ensuring that the many proprietary aspects of drug and medical devices are not copied by offshore competitors.

Our telecommunications industries in Quebec, Ontario, Alberta and British Columbia are also poised for further expansion into major industrial markets as tariffs are eliminated or deeply cut. The binding of tariffs by many advanced developing countries would secure Canadian access to those booming markets. Moreover, our prospects for winning foreign contracts for telecommunications systems are much better given the improved access to foreign markets for service technicians under the agreement on trade in services.

Our transportation industries in Manitoba, Quebec and Ontario will also profit from a more level international playing field as a result of improved disciplines on the use of government subsidies. This will facilitate the export of business aircraft, small engines, avionics, landing gear, simulators plus parts and service contracts.

Tariff cuts reaching 33 per cent will stimulate exports from the automotive, urban transit and rail equipment sectors. As well, substantial Canadian tariff cuts on original automotive parts will reduce costs for original equipment manufacturers.

[*Translation*]

Wood processing companies in New Brunswick, Quebec and British Columbia will be more competitive on foreign markets where they will be subject to fairer regulations on the price and quantity of their products. Tariffs on lumber and wood products will go down by 50 per cent in major industrial markets and will decrease in many developing countries.

Since the implementation of standards such as the European Union's phytosanitary regulations and the development of product standards and building codes in Europe and Japan will be tightened, it will be easier for our businesses to break into these crucial foreign markets.

• (1030)

Pulp and paper companies in British Columbia, Ontario, Quebec and the Atlantic provinces will enjoy unprecedented advantages on foreign markets. For the first time in history, most industrialized countries are committed to completely eliminating their tariffs. This decision applies in particular to the pulp and paper industry as well as to the book trade and other products printed on paper. Furthermore, many developing countries will reduce and consolidate their tariffs on paper products, thus providing Canadian exporters with excellent opportunities to diversify their value–added exports.

Besides the tariffs, which will be phased out over a ten–year period, some non–tariff barriers will also be abolished, in particular the European Union's requirements for waterproof paper. The agreement on import licensing procedures and the agreement on technical barriers to trade will give Canadian companies more stable access to foreign markets in general and to those of developing countries in particular.

On the whole, freer world trade and more predictable access conditions should encourage our producers to modernize their plants and in the long term promote the re–establishment of pulp and paper companies.

[*English*]

Service industries across Canada are closely tied to the offshore export prospects of the related merchandise sector. It is estimated that every dollar of goods exported contains 39 cents worth of service output. Additionally stand alone exports of service amount to $25 billion a year and are growing at almost twice the rate of exports.

The general agreement on trade in services of the World Trade Organization provides for the first time a comprehensive framework of rules and discipline on measures affecting services, including banking and investment. Once a country has committed to open its service sectors to a specified degree, it must grant Canadian service firms in the sector the same treatment accorded to domestic companies.

These market openings and safeguard measures will greatly improve the access of Canadian firms to billions of dollars in requirements for computers, construction, specialized engineering, management, telecommunications, as well as environmental, financial and professional services.

Both the magnitude and complexity of these opportunities are reflected in the Uruguay text of 500 pages of trade rules in addition to some 26,000 pages of tariff schedules applicable to 120 countries. The objective of the government's Access 95 initiative is to transform some of these often highly technical and complex provisions into a trade strategy that helps Canadian businesses take advantage of our hard won gains in access to foreign markets.

Access 95 is one of several important government initiatives to respond to the rapidly changing needs of our business community. We are committed to ensuring that our international trade developmental resources are focused on opportunities that offer the highest payoff for industry in the nineties. Given the

current fiscal situation I should mention that the initiative will be funded from existing resources.

The government is especially determined to strengthen our partnership with small and medium sized enterprises. These businesses often lack the resources and market specific expertise to discover and pursue newly accessible offshore opportunities. The government is tailoring its programs and services to assist small and medium enterprises in developing their particular niches in the new offshore markets.

• (1035)

At the direction of the first ministers the Minister for International Trade and his provincial counterparts are working to implement a trade Team Canada approach to better co–ordinate international business development. The advantage of the approach was demonstrated by the signing of contracts worth potentially $8 billion in China and over $100 million in Vietnam when the Prime Minister led a team of first ministers and 375 business leaders to Asia earlier this month.

We envisage that cost effective delivery of streamlined business development programs through federal–provincial one–stop shops will improve accessibility for firms while eliminating wasteful duplication. The approach will entail joint enhancement of exporter awareness services to prepare small and medium enterprises to export or to expand beyond the U.S. market. The development of stronger investment and technology linkage will assist small and medium enterprise to find the most suitable production technologies and partners abroad.

The more effective focusing of existing federal resources has greatly improved the delivery capabilities of our international market information and intelligence network. This links posts abroad with industrial analysts and trade officers across Canada in gathering and disseminating to Canadian firms timely and in depth foreign market intelligence that relates directly to their priority interests.

[*Translation*]

The Access 95 initiative was designed on the basis of these priorities. Launched recently by the departments of Foreign Affairs and International Trade, Agriculture and Industry, Access 95 will, first show Canadian exporters where tariffs and non–tariff barriers have been reduced; these reductions will be major gains for them because it will be easier for them to export some 200 key products and 11 types of services in 42 priority markets.

Secondly, it will provide information from our offices abroad on the most promising new markets and the key criteria for being competitive on these markets.

Thirdly, it will send information quickly and directly to interested companies through our market information network.

Fourthly, it will provide our exporters with the services of well–informed specialized consultants who can explain to them the complex provisions of the WTO agreement, in particular the implementation timetables, and indicate to them the best ways to overcome the obstacles they will meet abroad.

By specifically targeting the openings created by the Uruguay Round agreement, Access 95 should encourage our small and medium–size businesses, which are already prepared to export to the United States under the free trade agreement, to penetrate Latin American, Asian and European markets as well.

[*English*]

Before concluding my remarks today I want to thank hon. members on both sides for the constructive approach they have taken in the House and in committee to this most important piece of legislation. I look forward to a similar constructive approach from our colleagues in the upper chamber as Canada makes a special effort, together with our trading partners all over the world, to adopt implementing legislation in time to bring the agreement into force on January 1, 1995.

Let me assure my colleagues who may be concerned by legislative development or the lack thereof in other capitals around the world that we are keeping a close eye on the implementation process of all our major trading partners. I can repeat the assurances already offered by the Minister for International Trade that we will proclaim the legislation only after our principal partners have completed their requisite implementation procedures.

Moreover, Bill C–57 provides that the governor in council shall bring the legislation into force only when he is satisfied that the World Trade Organization agreement is in force.

• (1040)

In submitting the bill for approval the government counts on the support of all parties in the House for the fundamental principles of trade policy set out in the preamble of the bill. These are: that the cornerstone of Canadian trade policy is the multilateral system of mutually agreed market access conditions and non–discriminatory trade rules; that free, fair and open trade is essential for the future of the Canadian economy and for securing the competitiveness and long term sustainable development of Canada; and that trade expansion contributes to job creation, achieves a higher standard of living, offers a greater choice to consumers and strengthens the Canadian economic union.

These are the essential objectives the bill seeks to promote. I invite my colleagues to join me in assuring its timely adoption. Once again I thank my colleagues in the opposition for their excellent contributions at the committee level, at second reading stage in the House of Commons and at report stage.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, do not think that earlier, when I went to get a glass of water, I did not want to bring you one. Quite the contrary. I intend to eventually offer you something with more flavour, like an apple juice, since Quebec is one of the main apple juice producers.

That being said, we are now at third reading of Bill C–57, an act to implement the agreement establishing the World Trade Organization, signed at Marrakesh on April 15, 1994, by some 125 trade partners. It took over eight years of negotiating to reach this historical compromise, which signing members can be proud of. As we have pointed out throughout the legislative process, the Bloc Quebecois and I support Bill C–57, in spite of a number of flaws which I will discuss later.

Why do we support Bill C–57? I have had a few opportunities to point out in this House that Quebec is fundamentally a free trader and is open to the world. Quebec was and still is a strong promoter of free trade between Canada, the United States, Mexico and, eventually, other trading partners. Quebec was and still is a promoter of NAFTA and, as I was saying, it is in favour of expanding this treaty to include other countries from the American continent.

Let me briefly mention the benefits, for Quebec and Canada, related to the signing of the agreement which followed the Uruguay Round of negotiations. First, our companies will have greater access to foreign markets, thanks to tariff reductions, for example on wood, pulp and paper, as well as pharmaceutical products. This will certainly result in increased exports, which is good and which is what we seek of course through this agreement.

Trade rules are also strengthened. In the past, GATT members often took advantage of the vagueness of some definitions to adopt protectionist measures. The new GATT, that is the agreements following the Uruguay Round of negotiations, clarifies a number of trade rules, particularly as regards the definition of a subsidy, the types of subsidies which are allowed, compensable or prohibited, as well as the use of countervailing duties, safeguard measures and anti–dumping duties, etc.

The new GATT also puts in place the foundations of a system based on the rule of law rather than on power plays. We like to hope that member states will make proper use of the rule of law set up in the new GATT. There will also be a new dispute settlement mechanism. The general council of the World Trade Organization will be responsible for this quicker and more efficient dispute settlement mechanism.

Again, with such a system based on the rule of law, smaller trade partners, like Canada for example, will be able to better defend themselves against the protectionism favoured by the economic superpowers, including Europe, Japan and the United States. It is also important to note that the World Trade Organization will be replacing the GATT secretariat. A new more modern structure will replace the old one, which was a bit outdated and unsuited to the increasingly popular protectionist strategies and to the new industries covered by these agreements, like the intellectual property and service industries. I will come back to these a little later on.

• (1045)

Export subsidies for agricultural products have also decreased. After some spirited discussions, the GATT members finally agreed to reduce export subsidies by 36 per cent in terms of total value of the exportations and by 21 per cent in terms of volumes. Of course, we are talking here in percentages and not real values.

The gap between countries that subsidize the least and the most will stay the same. So, there is something wrong here, since the developing countries and those, like Canada, which do not subsidize their industries a lot compared to a number of their trade partners, will continue to be at a disadvantage. This nonetheless constitutes a step forward, which reduces the upward pressure on what I would call less "subsidizing" countries and gives them a new hope.

The Uruguay Round agreements also clarify the rules governing intellectual property. It is the first time this issue is discussed at the GATT level. Creators and businesses benefit from a minimum protection or, as I would say, a bottom protection. These new provisions apply to royalties, trademarks, patents, etc. They limit industrial piracy and trade of counterfeit goods.

The Uruguay Round agreements also provide for an opening of government procurement contracting so that our businesses have an easier access to the competitive bidding system of our partners' government agencies and governments. These provisions are subject to prescribed limits on government procurement of goods and services and on building contracts.

Again, this will open new markets to our businesses, which, in return, will have to be more competitive and aggressive. Indeed, this is the challenge they have to face with free trade.

As I said earlier, service industries are now included in the GATT agreement pursuant to the new provisions, although free trade does not apply to services as much as to goods. It has to be understood that if, for the latter, years of experience and negotiations have brought about freer trade, this is only beginning in the service industries.

I want to point out that service industries represent 20 per cent of the world economy. Canadian and Quebec telecommunication companies, mentioned earlier by the parliamentary secretary, as well as the financial services sector will benefit from this liberalization.

There is still a long way to go because many differences of opinion remain concerning transportation, telecommunications, audiovisual material and financial services, in particular, among the main trade partners, including the United States, the European Union and Japan.

Finally, the Uruguay Round agreement contains provisions allowing each country to exclude cultural industries and co–production works from the list of subjects covered by GATT. I believe that we owe that exclusion to France. As it did with NAFTA, Canada excluded cultural industries and co–production agreements from its list of concessions.

This ends my enumeration of what could be considered the gains made under the Uruguay Round agreement and, if you allow me, I will now turn to the less positive side of that agreement, and therefore of Bill C–57.

Throughout the negotiation process leading to the agreement and a little later, when Bill C–57 was drafted, the federal government boasted about its desire to consult the provinces. Undoubtedly, there was an effort made in this regard with the preparation of a draft bill which was submitted to the provincial governments. I would add that the federal government did it only because it cannot implement the agreement without the co–operation of the provinces in their particular fields of jurisdiction. Nonetheless, the federal government has not acted on three basic demands of Quebec.

• (1050)

For one thing, we wanted to ensure that the bill contained a federal clause providing for consultation with the provinces concerning the application of the agreement in areas under provincial jurisdiction. The provinces, particularly Quebec, have agreed to adapt their respective legislation and regulations to the international agreement signed by Canada.

Quebec was hoping to be better protected by the Canadian government. The federal clause included in the Marrakech agreement is indeed too threatening and too restrictive in that it gives the federal government full responsibility for the implementation of the final agreement. At the very least, Quebec was hoping that this clause would not be changed from what it was in the former agreement. At best, it was hoping that the federal government would better protect the interests of the provinces in negotiating with its GATT partners a federal clause that would better reflect Canada's constitutional reality.

Section 24.12 of the final agreement stipulates that the Government of Canada is fully responsible for compliance with GATT provisions and will take all reasonable measures to ensure that this obligation is fulfilled by local governments. So this means that, according to what is provided for in the agreement, the federal government will not consult with the provinces, but it will make decisions for them.

Not only is Quebec opposed to this wording, but it would have liked to see in Bill C–57 provisions establishing a federal–provincial consultation process for important decisions and for decisions regarding matters under provincial jurisdiction.

Again, Mr. Speaker, allow me to point out that the federal system has proven its inability to produce agreements that are satisfactory to all the parties concerned.

I will come back to the federal–provincial dispute settlement mechanism later on. Of course, we were also hoping that the bill would provide for a number of adjustment programs for workers and businesses in soft sectors like textile and clothing, which are very important in Quebec. A promise to that effect appeared in the red book, a promise that apparently will not be kept. I will get back to this later on.

As I pointed out earlier, Bill C–57 is deficient in a number of ways, and we have tried to deal with that by proposing a number of amendments in committee and at the report stage. The government decided, on I would say philosophical grounds which are questionable, to say the least, to reject the whole package "en bloc". No pun intended. We hope that the government's failure to give these amendments serious consideration will not prove to be an obstacle to proper implementation of the Uruguay Round agreement.

The government must realize that by rejecting these amendments which, I should point out, had been toned down and modified to make them palatable to the government majority, it went against the wishes of several groups directly concerned by Bill C–57.

Mr. Speaker, perhaps I may recall the various amendments we proposed and our reasons for proposing them, and then comment briefly on the disastrous impact of the government's rejection of these amendments.

First, we had the amendment proposed by the hon. member for Laval–Est, whose purpose was to establish a process for consultation with the provinces. Of course, this process would have applied specifically to matters within provincial jurisdiction. The consultation process could also have been extended to any matter relating to trade dispute resolution and any economic matter of major international significance.

• (1055)

I may also recall that this type of consultation process exists in the legislation now before the U.S. Congress, where it concerns both economic matters of major significance, according to section 102, part B of the U.S. bill, and also matters relating to trade dispute resolution, section 102, part C, paragraph 3*(i)*.

In a context where trade disputes are frequent and increasingly concern matters within provincial jurisdiction, the government could have been expected to provide a mechanism for consultations with the provinces. I think that in a federal state like the one Canada claims to be, a state that claims to respect the jurisdictions of the provinces, it is necessary to provide a mechanism for dispute settlement as well as a mechanism for federal–provincial consultations.

The parliamentary secretary said earlier that the federal government and the provinces were co–operating well on trade issues. He mentioned Team Canada. Nevertheless the Government of Quebec has expressed the wish, and it still does, that a process for consultations be included in the bill. If the government is so anxious to consult the provinces, why does it persist in its refusal to provide specifically for such consultations in the bill? I cannot understand this attitude.

They mentioned Team Canada, but when people work as a team, all players should have a chance to get on the ice. The parliamentary secretary mentioned the glorious trip of Team Canada to Asia. Well, for technical reasons, the federal government steadfastly refused to let one of the players on to the ice. From the very start, Team Canada has not been running very smoothly.

The proposed amendment was also aimed at forcing the federal government to obtain the provinces' agreement before taking important steps which would ultimately have an impact on the provincial jurisdictions, for instance, a change in the allocation mechanisms for tariff quotas. As things now stand, the Minister of International Trade has full discretionary powers regarding the allocation of tariff quotas. It would have been desirable for the provinces to be consulted on the allocation of such quotas, and on the establishment or implementation of policies for selecting trade partners who would have access to the Canadian market.

If you will permit, Mr. Speaker, I will spend a few minutes on the issue of tariff quotas because I believe that it is an area of great concern. The purpose of this amendment was to ensure that the minister, when making decisions in respect of prices and quantities of subsidized exports, considers actions taken in the relevant areas by foreign competitors.

Getting back to the issue of tariff quotas, I just want to say that the federal government will impose nearly no duties on a certain number of agricultural products entering Canada. Beyond established quantities, tariffs will increase significantly, up to 200 or 300 per cent. It is the minister, acting on behalf of the federal government, who will have the authority to decide which importers will be allowed to import under these preferential tariffs.

The federal government, under more or less formal agreements, will determine from which country certain agricultural products will be imported into Canada under these preferential tariffs. We believed that it was essential to ensure that the provinces could voice their opinion regarding the choice of importers who will benefit from these low tariffs.

It is all the more important because the provinces may often have competing interests; therefore, the process should be as open as possible, in order to avoid scheming and conflicts of interest. We know, for example, that the federal government has already entered into agreements with some countries —including New Zealand which was granted a significant butter tariff quota, probably in exchange for a similar quota for Canadian beef exports to New Zealand; under such agreements, the government guarantees a country access to the Canadian market for certain of its products in exchange for access to its market.

• (1100)

On the one hand, this kind of agreement can have serious consequences for local producers and can antagonize our other trade partners. On the other hand, developing countries—I think it is important to recognize it—are the big losers with this type of agreement, because they have nothing to offer in exchange for access to our markets. We have to take that into account, Mr. Speaker.

Our amendment was intended to avoid the possibility of haggling over the granting of tariff quotas and the risk of conflicts of interest for the minister. We wanted to avoid putting the minister in a situation where he would have to set tariff quotas while taking into consideration the conflicting interests of the various provinces.

This amendment was also intended to prevent the minister from allowing products imported outside tariff quotas, in case of shortages on the domestic market, to be sold more cheaply than the same goods produced on the domestic market.

I will now move to the amendment to clause 3 proposed by the hon. member for Longueuil. Its goal was to ensure minimal follow–up by Parliament which would have forced the government to make a public evaluation of the implementation of the agreement. This was, in my opinion, the least we could ask as a safety measure. That amendment had been suggested to us by the Union des producteurs agricoles du Québec and the Canadian Federation of Agriculture, when they came before the Standing Committee on Foreign Affairs and International Trade.

There again, the government decided that this amendment was not worthy of consideration, and it was rejected late yesterday.

This amendment would have also required that we examine the implementation of the agreement by our main trading partners, most notably the United States. I might add that the American legislation presently before Congress contains such

provisions in its section 424. That section of the American bill states that, no later than six months after the day the agreement has come into force, the President shall report on Canada's performance fulfilling its commitments respecting dairy products and poultry.

Such a clause is not overly aggressive. It does not violate the scheme of the Uruguay Round agreements. It simply keeps us on our toes regarding our major trading partners, who may at times be aggressive towards us.

The amendment was also designed to ensure that the government table an annual report on the impact of the agreement on workers and companies, as I said earlier.

The Liberal government made promises in that respect during the election campaign. We know that many workers and companies will be affected by the implementation of the Uruguay Round agreements. There is no doubt that they are prepared to take up the challenge of the Uruguay Round agreements, but they could use a little boost to face this new reality.

I now move on to the amendment to Clause 58 brought forth by the hon. member for Louis–Hébert, to ensure that the protection would apply not only in the present but also in the future. The intention was to make the clause technologically neutral, that is to say not to limit its application to today's or yesterday's technologies, because the clause actually provides for the protection of recordings made on perforated rolls. Imagine that, Mr. Speaker, perforated rolls!

As I indicated in the debate at report stage, I would probably have had less of a problem with this aspect if I had been debating the bill to implement the agreement establishing the World Trade Organization as a member of this House immediately after the Second World War. Then, I would have told myself that the days of the perforated roll, as a recording medium, were not so long gone after all. But in 1994, in the age of the laser and the optic fibre, I think that we should come up with a technologically neutral clause, that is to say a clause that does not apply only to technologies that existed in the old days or exist today, but that also allows for the development of new technologies, new means of fixing information.

• (1105)

It was a purely technical amendment, simple but fundamentally important. Today, as noted in the Union des artistes' brief to the Standing Committee on Foreign Affairs and International Trade: "The perforated roll makes us laugh because it is so obsolete as a way to reproduce sounds. Tomorrow it may well be digital tapes or laser disks that make us smile because they will seem like technologies from another age".

The government's approach of limiting comments to the perforated roll appears timorous and hesitant. It does not augur well for the review of the Copyright Act. Just because we proposed only one amendment in this regard does not mean that we agree with the position of the current government, which is unduly delaying the introduction of a bill to amend the Copyright Act.

As we clearly pointed out last week, the government must not use trade treaties as an excuse to review the Copyright Act in an haphazard and incidental way. Again, as suggested in the report of the Liberal majority on the Special Joint Committee Reviewing Canada's Foreign Policy, the government is taking over areas of shared jurisdiction under the pretext that it is the only one entitled to deal with their extension on the international scene.

The amendment to clause 185, which I had the honour to put forward, was simply aimed at clarifying the guidelines used by the trade tribunal to rule on dumping cases. Clause 185 in Bill C–57 outlines how the Canadian International Trade Tribunal must deal with dumping complaints. Complainants had to prove to the tribunal not only that dumping effectively took place but also that it had caused injury to Canadian industry.

The bill also provides that the tribunal can recognize injury only if the circumstances causing the said injury are clearly planned and imminent. As you can see, Mr. Speaker, this "planned and imminent" provision is much too vague and restrictive. What we wanted to achieve through this amendment was simply to clarify a little bit the circumstances that can cause injury, which are now quite vague.

This bill also provides that the Governor in Council can, on the finance minister's recommendation and if he feels like it, set regulatory guidelines that will give the Canadian International Trade Tribunal more specific directives on acceptable evidence as well as the general interpretation of new dumping conditions.

Canadian steel producers submitted to us that the U.S. legislation was much more precise and, as I just said, gave their courts much clearer and more precise indications as to how these new conditions should be interpreted and what evidence could be presented to a court.

Given this state of affairs, Canadian producers are clearly at a disadvantage compared to their American competitors, since they have absolutely no indication of how they will have to prove that they are victims of dumping by their U.S. counterparts. I mentioned how important the steel industry is for Canada's economy. I will not cover the same ground again, but we should understand how urgent such an amendment to the bill was, not only for the steel industry but also for very many industries and sectors of the Canadian economy.

• (1110)

The purpose of the amendment was to require rather than to simply permit the Governor in Council to establish regulations to guide businesses and the court in its decisions; it was also intended to specify the kinds of evidence which should be included in the regulation and also suggested that the Minister of Industry be involved in the operation since obviously he is

probably the one who is best able to judge how various sectors of the Canadian economy are doing.

At this point, I would like to mention the important contribution of my colleague from The Battlefords—Meadow Lake, who presented some amendments to this House. In most cases, these were similar to amendments proposed by the Bloc Quebecois and, unfortunately, were also rejected. In his statements, he too clearly pointed out the difference between U.S. legislation, which provides some defence for American industries, and Canadian legislation, which leaves it up to the good will of the World Trade Organization and the strict application of the rules of law. This is a dangerously narrow approach and with all my heart I hope it will turn out to be a viable strategy that will benefit the Canadian economy.

It is important to say a few words about the progress of legislation in the U.S. Congress. Over the last few days we learned that the situation had changed and that a majority of American senators now intended to support the bill on the Uruguay Round agreements, even though, as Lloyd Bentson, the U.S. Secretary of Treasury, put it, the GATT vote was not a done deal. We have every reason to be very optimistic at this moment.

However, should the American Senate or Congress reject the GATT agreement, and should the U.S. close its markets, a return to protectionism at the international level would be a distinct possibility and would have disastrous consequences for the economy world–wide. Consequently, the signal which will be sent by our major trading partner is vital. We will follow the proceedings in Congress with great interest. We hope that the Canadian Minister for International Trade will use every available means to convince our trading partner to pass its bill on the Uruguay Round agreements as quickly as possible, and also to make stubborn American legislators aware of what is at stake here.

I want to conclude by making some criticisms regarding the process to which we were subjected over the last few weeks. There is no doubt now, and in fact that was the case from the very beginning, that the Bloc Quebecois supports this legislation to implement the Uruguay Round agreements. We know that the Reform Party also supports the bill.

Consequently, why did the government wait for so long before tabling its legislation? It did so at the last minute and then it put all kinds of pressure to rush the bill through every stage of the process, including in committee. The government thus kept us from conducting a thorough review of Bill C–57 which, as you know, includes over 200 clauses.

Given the scope and the volume of this legislation, the government should at least have consulted us, as it did regarding other bills. A draft bill was distributed to various sectors of the Canadian economy, as well as to the provinces, and that is certainly a good thing.

• (1115)

Considering the consensus that prevailed in this House, we would have hoped that the government would at least have had the decency to provide other parliamentarians with a copy of its draft bill, so that we could have looked at it and even made suggestions before the bill was studied in the House and in committee. But now the government is stuck. In an attempt to ensure transparency and to protect its image, it is rejecting every compromise and every amendment to its bill.

The committee heard a limited number of witnesses, who had very little time to get ready. In any case, none of their presentations was taken into account and, with the way the committee's business was organized, it was impossible to take into consideration their requests. Public hearings ended two weeks ago, on a Wednesday, and the following day we were already studying the bill clause by clause.

How could we have taken into account the proposals, comments and suggestions made by the witnesses when right the following day we were asked to railroad the almost 200 clauses of this bill?

To conclude, I just want to say that we will, of course, support this bill to implement the trade agreements reached during the Uruguay Round. I stressed the importance of this bill for Quebec and I mentioned the consensus that prevailed in this House on this issue.

We give our support to this bill in the hope that the government remembers the reservations we have had ever since this bill was introduced, most of which have been expressed by the witnesses before the Standing Committee on Foreign Affairs and International Trade, including the Canadian Federation of Agriculture, the Union des producteurs agricoles, the Union des artistes, and the Canadian Steel Producers Association. I just want to remind members that several concerns and several suggestions came up, but the government chose not to take them into account. We hope that the government will at least take these various reservations into consideration when it prepares the regulations.

Obviously, we hope that these flaws in Bill C–57 will not have regrettable impacts on already frail areas of our economy and that these flaws will not place businesses in Quebec and in Canada at a disadvantage in relation to our major trade partners.

As for the implementation of the Uruguay Round agreements, we hope, since that is all we can do, that the federal government will keep its word and will be so kind as to consult with the provinces before making major decisions on matters of concern to them.

We also hope that the government will do a proper follow–up, that it will monitor the conduct of our major trade partners, and

that it will keep its promise in the red book with respect to adjustment programs for workers and businesses. In that regard, it is important to quote the following excerpt from the red book: "Governments must assist individuals and firms to deal with the restructuring that is occurring as a result of trade liberalization. Such assistance is critical to building acceptance of structural reforms in the Canadian economy".

We know very well that given the current state of government finances, the Liberal government could be tempted to disregard the promise to set up restructuring programs for those businesses most heavily affected by the Uruguay Round agreements and NAFTA.

Of course, the Bloc Quebecois and I readily recognize the need to reduce the monstrous Canadian deficit in an intelligent manner. However, we are also aware of the fact that workers in some sectors of the economy will have to make an extra effort to adjust to new market realities.

While I am absolutely sure that workers and businesses in Quebec and in Canada will be able to show the innovation and energy needed to deal with these new realities, I also know that government intervention is absolutely necessary in some cases.

Before I conclude, I too would like to thank all members who took part in proceedings on Bill C–57 in this House, including my colleagues from Louis–Hébert, Laval East and Longueuil, and my colleagues on the government side and in the Reform Party, and more particularly organizations and individuals who, despite the inconvenience of the process, came to Ottawa at taxpayers' expense to appear before the Standing Committee on Foreign Affairs and International Trade, even if their concerns and suggestions have not been taken into consideration.

• (1120)

The parliamentary secretary mentioned the positive approach taken by members on both sides of the House. I have to say that I cannot give the government such high marks, because it did not co–operate as much as we would have liked.

That being said, we will certainly support this bill.

[*English*]

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I am happy to rise today to support Bill C–57, an act to implement the World Trade Organization under GATT.

I think it is a tribute to this House and to Canadians that we have all–party agreement for this to move forward. We recognize there are some problems that have to be worked out as a result of this trade deal as it applies to internal policy in Canada, but Canada needs this deal very badly. We have been a world leader in trade promotion and trade rules since the second world war.

In 1947 Canada was one of the early leaders in proposing a rules based trade arrangement with the GATT that took place. We have also been working very hard in the last seven years under the Uruguay round to bring about international trade rules that bring sectors such as agriculture and the service sector under international trade rules for the very first time. These sectors have been operating without these international trade rules and we believe they are very important.

We in the Reform Party are very supportive of the implementation of the GATT and the World Trade Organization. We are looking forward to the organization getting organized and up and running quickly.

Canada needs a rules based trading relationship. We will benefit. We have a small population in a big country; we have a lot of resources. About 30 per cent of our GNP is directly related to trade. Unlike some countries for example the United States which is far more self–contained, Canada needs to trade and we are a world leader in terms of trade.

One reason we need this is we have had a trade war going on in agriculture for approximately the last 10 years. We have seen how destructive this can be to the economy of the industry affected. Without the Uruguay round we were in danger of this expanding into other sectors, something Canada could not have had happen. It was very important to us.

We cannot play the game if everybody is playing by different rules. That is what we are saying by trying to get international trade rules. In that way trade is very much like a game. We always hear the term level playing field and there is a reason for that. It means we need to have rules that are equal and every team has the same opportunity under those rules.

To use an analogy, for me it is very much like hockey. Hockey is my favourite sport. It is a sport that Canada invented. We have set the rules for hockey over the years. We are very good nationally. We need to work as a national team when we go abroad. We have to recruit the very best players and we have to train those players. To that degree, it is very much like the Uruguay round. We need international rules in hockey as well as international rules in trade.

We need a neutral referee in hockey and in trade. The World Trade Organization is going to be that neutral referee applying the rules fairly. The Acting Speaker who was in the chair earlier will certainly know something about refereeing. He was in the National Hockey League as a referee for a number of years. The one qualification referees need is good eyesight. They have to be very vigilant and that will be the role of the World Trade Organization.

Canada is a trading nation and will benefit greatly by trade liberalization. Canada produces a surplus of many goods and services in demand around the world. Yet Canada cannot possibly produce the full range of goods and services that Canadians need. In that way it is to our advantage to export those goods and services we produce best. We do produce a lot of these very well, just as it is to our advantage to import those goods and services that other countries produce best.

• (1125)

In 1993 Canada exported $181 billion in goods and services totalling about 30 per cent of our gross domestic product, very high. For every billion dollars in new exports, over 1,100 new jobs are created. It is very important to Canada that we continue to be good traders.

With more liberalized trade the overall prosperity of Canadians will be enhanced. In Canada trade accounts for one out of every four jobs generated. In my riding of Peace River we are very dependent on trade to provide jobs.

The Peace River area of Alberta is booming right now. The economy is very strong. Agriculture is doing well. The oil and gas sector is booming. The forestry sector is booming as well. It is the good fortune of my riding that all of these industries have healthy export sales and it is no more evident than it is in the Peace River riding of Alberta.

We do have some problems in making this trade deal work. Some of them are right here at home. In that way I compare it with our national team playing hockey. We have to work with our players to make this deal work effectively for Canada, the players in this case being the business community and provinces, and we have to work together.

If I may continue with my analogy for a moment, if we cannot practise together how can we learn to play the game? Young players start by playing locally in the neighbourhood rink. If you are limited to your backyard, however, where do you get your expertise and where do you learn how to make the moves necessary to move on to the next level?

Recently GATT has rebuked Canada for having too many internal trade barriers. I think we have to pay attention. Having minimum compliance and getting Bill C–57 established and getting it into effect is the right approach. We want this agreement to be in effect very quickly. To do that we have minimum compliance. That means amending approximately 31 acts to bring us into minimum compliance.

It shows that we have some serious flaws in our domestic policy that have to be addressed. I hope that the manager of the team, the coach, the federal government, will be working to pay attention to those problems. Some of them are concerns over transportation regulation, transportation subsidies, government regulations, regional development. All of these things are really slowing us down in terms of competing effectively abroad.

There are many categories of barriers. In agriculture and the food processing industries there are over 100 of these barriers. They include marketing boards, production quotas, quality and packaging standards and transportation and stabilization subsidies.

In the liquor and wine industries we have provincial production requirements, local bottling requirements, differential markups, quotas, packaging requirements and marketing favouritism.

In the transportation industry we have different licensing requirements in different provinces, size and weight requirements, safety regulations, provincial transport board discretionary powers and varying fuel and sales taxes. It has been said that we have more barriers to trade internally than in all of the European Union. That is something we have to work very hard at to overcome.

In the area of government procurement we find explicit and implicit preferences for local suppliers and requirements for locally produced materials. With government procurement expenditures exceeding $100 billion per year, approximately 20 per cent of our gross domestic product, this is by no means insignificant.

In the area of labour mobility there are different licensing requirements for professionals and tradepersons from province to province. These barriers parade significant impediments to people wishing to move to other provinces since skilled workers have to meet additional licensing requirements.

Then there is the area of capital mobility where industrial incentives, local investment funds and local tax incentives are barriers.

• (1130)

Such barriers are often used for regional development and create an inefficient allocation of financial resources. The cost to our nation of these and other internal trade barriers is in the neighbourhood of $6.5 billion per year, something that simply is not acceptable and which we have to work on.

Interprovincial trade barriers have fragmented the Canadian marketplace and hindered Canada's ability to compete internationally. Furthermore, these barriers give competitive advantages to large firms that can afford to comply with the stringent rules imposed by government. At the same time they hinder small businesses from reaching their market potential. Unless we can improve competition within our own borders we will never be able to reap the rewards of these expanded trade opportunities.

Yesterday an interesting item was reported in the press. Garth Whyte, director of national affairs at the Canadian Federation of

Independent Business, says that he finds it ironic that Ottawa and the provinces appeared to work so well together in Asia but cannot agree on bringing down interprovincial trade barriers back at home. This is something I have mentioned many times in the past in this House and something that is really tying one arm of our business people behind their backs in their ability to trade internationally.

Mr. Whyte goes on to say that many members of the CFIB, which represents 85,000 small and medium size businesses across Canada, do not even dream of tackling foreign markets because they cannot expand into next door provinces that would allow them to grow big enough to compete abroad. It is one of our Achilles' heels. It has been recognized in our foreign policy review that we need to create a better international business environment at home, giving small and medium size businesses the opportunity to compete.

Most of our international trade is done by about 100 companies in Canada. There is much opportunity for small and medium size businesses to compete but we have to start opening up these trade problems and barriers at home to allow them to get a bigger share of the domestic market so they can use that as a chance to expand into the international field.

Our national team has some problems. We are not working together as a team. That is the job of the coach, the manager of the team on the other side. Team Canada has to work more effectively at home so we can do a better job abroad.

I see some problems coming as well with the implementation of the World Trade Organization and how it will affect us in Canada. It is something we have to work to resolve. There will be some disputes ahead that need to be settled by this government. To get back to my hockey analogy, if we slow down the game too much with too many penalties it does slow the game down. In this case it is tariffs and interprovincial trade barriers.

I believe that some of the problems we are facing are tariff rate quotas, the allocation of them. We have some problems with our supply management sector that have to be worked out. We have some problems under the Western Grain Transportation Act that will have to be resolved as a matter of the implementation of the World Trade Organization, and the export volume caps that are going to be imposed.

I would hope that government would work very closely with industry and the provinces involved to make this a very easy adjustment to be phased in so that eventually we can phase down quotas, subsidies and tariffs all across the country and Canada will be a free trading nation.

I want to quote a couple of examples, one of them being the beef industry. We are getting representation from both sides of that issue, which may be good or may be bad. One group is saying that the tariff rate quotas are high enough and it does not want them lifted. The other side of the industry is saying that they are much too low and it needs better access. I can see some problems coming. There will even be a market trade in tariff rate quotas which I do not believe is necessarily a good thing.

We heard earlier today from the parliamentary secretary, the critic for the Bloc and us. Everyone is looking at what the other major team, Team U.S.A., is doing. It is trying to change the rules of the game, adding many requirements and regulations as a part of its implementation legislation. It is not the right approach.

• (1135)

I believe that the referee, in this case the World Trade Organization, will look at that very closely when considering the disputes brought forward before the World Trade Organization. All of the relevant factors will be taken into account and we will have the weight of 123 member countries behind us when these rulings are made in favour of whatever party.

I would welcome very much that we move quickly to the implementation of the World Trade Organization, allow some of these disputes that have been lingering in Canada for some time such as the wheat dispute in western Canada. We all know about the amount of cases taken to the dispute panel in the United States with regard to steel. Those are two that should be moved quickly to the World Trade Organization to be resolved and have the weight of all of the member countries behind them.

What happens in the United States is of principal interest to Canada because currently it accounts for about 75 per cent of Canada's two way trade. We have a strong relationship with the United States which has allowed Canada to become the seventh largest trading nation in the world, even though we have a population that only ranks 31st in the world.

In conclusion, we in this party support moving quickly to the World Trade Organization, the full implementation of the GATT. We think we can do quite well. We are going to have a neutral referee with good eyesight, I hope. We are going to rely on the things that we do best, skill and agility. We are not going to resort to the tactics of some teams that tend to get the enforcers in place. We think we can do quite well based on skill. We can trade well with any country as long as we have a level playing field.

Let us get on with the game, let us get on with implementing this as quickly as we can and let Canada continue to take a leadership role at the World Trade Organization as it needs to be changed in future reforms. Let us at home continue to work hard, be diligent to resolve some of the problems that we have in terms of trade barriers. Let us be diligent at home with regard to getting our debt and deficit under control because we know that is one of the biggest costs in business. It is one of the reasons that we do not compete well internationally. We have a very high

tax rate. We think we can win the game if we look after that and do very well in trade.

We believe that Team Canada can hold its own with any team in the world, given the same rules.

The Acting Speaker (Mr. Kilger): Before resuming debate I want to remind the House that pursuant to Standing Order 74, following the first three members this morning, the next five hours of debate will give members the opportunity of 20 minutes maximum for speeches, subject to a 10 minute question or comment period. Sometimes the practice is that members split their time and I would hope that if members are going to be splitting their time they would indicate that to the Chair.

Mr. Harb: Mr. Speaker, on the government side we will be splitting the 20 minutes for the first five hours. There will be two speakers for every 20 minutes.

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, it is an honour for me to speak in support of Bill C–57, a bill to implement the Uruguay round of agreements of the General Agreement on Tariffs and Trade.

In excess of 120 countries are signatories to this agreement and this bill will make Canada party to the most comprehensive trade agreement in history.

This government was elected on the basis of a number of factors. These same factors have kept the government in high regard. We have the leader, we have the team and we have the plan, the red book. The focus of the red book was all about job creation and getting Canadians back to work, to give all Canadians an opportunity to participate in the economy, to allow all people the dignity that comes with having a job, and the pride that comes with the ability to put bread and butter on one's own table.

Since the election of our Prime Minister and the new government over 300,000 new jobs have been created, most of them being full time. In addition, business and consumer confidence is way up. This is because the government has been single minded about its promise to create jobs. The government, together with all Canadians, is succeeding.

• (1140)

Whether we are talking about the infrastructure program which has resulted in the construction of roads, sewers, sidewalks, health care facilities and other valuable projects, tens of thousands of Canadians are now back at work as a direct result of this program.

Whether we are talking about the review for science and technology, whether we are talking about the Minister of Human Resources Development and his review of the western diversification program or his very important and necessary review of the social safety net, in all of these areas we are looking to see how best we can create a climate of economic growth and jobs in this country.

We look to see how we can make Canada a better competitor on the global marketplace. The success of our Minister for International Trade and our Minister of Agriculture and Agri–Food at the GATT is no exception to the government's direction which is to create jobs and economic growth in Canada.

The Uruguay round of GATT is an international agreement but it has many significant, positive local impacts in Prince Albert, Churchill River and all throughout Saskatchewan.

A significant industry that will be helped in Saskatchewan is the agricultural machinery manufacturing sector. Tariffs on these products will be eliminated internationally over a five–year period. Western Canadians and Saskatchewan based farm machinery manufacturers are particularly well positioned to take advantage of this new economic reality as exports of our large scale dry land farming technology is on the cutting edge worldwide both in terms of environmental protection and encouraging economic efficiency and effective production.

These industries are already very competitive because of a close proximity to the American market and good access at the present time. Therefore we can effectively take advantage of these new market opportunities.

I believe in Saskatchewan farmers because they have been through drought. At the same time they were subjected to low commodity prices brought on by the devastating grain subsidy war waged between the Americans and the European Union.

There is no doubt that Saskatchewan farmers are among the most efficient producers of agricultural products in the world. A reduction in subsidies on the international level is going to be good news for our farmers because they are already so efficient.

One of our most significant changes produced by this agreement is the end to this terribly damaging international grain subsidy war between the Americans and European Union. The volumes of European Union and American wheat exported will be reduced by over 40 per cent over the next six years. This will significantly improve the access and the market prospects for Canadian farmers who grow grains and oilseeds.

This is good news for farmers. As the subsidies are reduced the economic incentive for the growth of industries in the area of processing of agricultural products in western Canada will also increase. For too long we have in western Canada been hewers of wood and drawers of water. For too long we have been shipping our produce outside the province and outside the country to be processed.

We will see the day when we will achieve a much greater economic diversity in Saskatchewan. We will see the day when our farmers will not have to ship such a large percentage of their agricultural products out of the province or out of the country for processing. Saskatchewan people will do it right at home.

We will soon see secondary processing of agricultural products in our province. We will be less dependent on the uncertainties of international raw commodity prices for our economic stability, diversity of economic activity and diversity of markets. It is a sure formula for economic improvement and stability.

The GATT also provides greater protection for the Canadian farmers in that the United States will no longer be able to use existing repressive trade laws and other regulations against imports of Canadian wheat or other agricultural products.

This agreement is also good news for the red meat sector of the Saskatchewan economy. There will be greater export opportunities and greater likelihood of investment in the meat processing industry. The mining sector will also benefit from having more trade rules which will ensure continued and more certain access to markets with respect to raw products. In addition we will see more secondary processing of metals which are now precluded from economic export opportunities by tariff barriers in other countries.

• (1145)

The GATT will also help the pulp sectors of our economies again by the reduction of tariffs. This will enhance the viability of the Canadian industry and enhance the economies of Weyerhauser Canada Limited, the owners of an already successful pulp and paper complex in the riding which I represent. The production of wood products and wood will also be enhanced for the same basic reasons.

The GATT is certainly a big help in terms of specific primary production sectors that will benefit from the reduction in tariffs and in terms of secondary or processed products.

One of the largest benefits to Canada from the GATT is the fact that clearer trading rules have been established and more effective measures for settling disputes have been put into place. This is particularly important and beneficial to Canada which has a mid–size economy. This will also ensure that the rule of law determines trade disputes and not simply have trade disputes resolved by who has the biggest economy or who can throw their economic weight around on the international scene.

This is particularly helpful to third world economies that for too long have been controlled by arbitrary economic interests outside their borders and by the economies of industrialized nations. This allows them access to fair treatment. When they can rely on the rule of law as opposed to economic might they will achieve greater economic self–sufficiency. This will allow the economies of such third world countries to grow. When their economies grow they will have greater economic wherewithal to achieve and to purchase more goods and services from countries like Canada.

This deal is good for all of Canada but it is good for western Canada, Saskatchewan and Prince Albert—Churchill River. Whether we are talking about opportunities of a more substantial nature in the pulp and paper industry, the mining sector, the agricultural sector, the wood products sector or any manufacturing or value added industries or activities associated with primary resource production, all these opportunities will have a very positive impact on the good people of my riding.

The agreement will free up the truly entrepreneurial spirit which already exists in fine measure in my riding and across the country. Over time increased wealth and opportunity will result, which is good for all our people.

Once again I congratulate the Minister for International Trade and the Minister of Agriculture and Agri–Food for their efforts, their vision and their success in doing their part to ensure the government will live up to its commitment contained in the red book to create jobs and bring dignity back to the lives of many Canadians who are out of work through no fault of their own. This is what we promised to do. This is what we are doing. This is what we will continue to do with the help of all Canadians to create jobs and economic opportunity and stability.

The GATT is a good agreement. The bill and consequent amendments supporting the agreement are in the best interests of all of Canada, and I speak in favour of it. Finally, I thank all members from the opposition parties who supported this excellent initiative and agreement.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I appreciate the hon. member's comments.

We have been dealing with the backtracking of grain for the last year and we still have not seen any action on it by the minister. How much time does the hon. member think we have to resolve some of these issues? They will be very critical when we come into the World Trade Organization. I would appreciate a few comments on that.

Mr. Kirkby: Mr. Speaker, on the question of the hon. member with respect to backtracking, it has been made clear by the minister of agriculture that this type of wasteful practice must be dealt with.

The minister has already conducted extensive consultations and they are still ongoing. I think there is general agreement among all players across the country who see this type of backtracking presently going on that the practice must stop. The

consultation process must continue and will continue. Action will be taken once the appropriate legislative changes are made.

• (1150)

It is certainly our desire to implement all changes necessary to ensure that Canada complies with the international agreement on tariffs and trade. We will take those steps. The minister of agriculture is working very hard and will be coming up with a solution to the particular issue.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, we all realize that Canada is at its best during periods of negotiation agreements outside the country.

The problems that I hear from many business people in Canada seem to be interprovincial trade barriers along with high taxation in Canada. What does the hon. member think about interprovincial trade barriers?

Mr. Kirkby: Mr. Speaker, certainly the existence of interprovincial trade barriers is a very important issue that must be dealt with. As the hon. member will be aware, the Minister of Industry in conjunction with his provincial counterparts has already taken steps to reduce interprovincial trade barriers. This culminated in an agreement which was signed and agreed to some time last summer.

This is also something that has been very important to many other ministers in government, particularly the Minister of Human Resources Development who for many years has advocated much closer economic links among western provinces to reduce interprovincial barriers.

This will take a continued effort to ensure these barriers are removed in a sensible fashion. We have accomplished a lot already; it is a start. We must continue to ensure that the types of barriers which impede economic growth and negatively impact our international competitiveness are reduced to make companies all across this great country more competitive and more able to fight it out on the world scale. This will in turn have a great and positive economic impact all across the country.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it gives me great pleasure to enter the debate on Bill C–57, an act respecting the World Trade Organization. This is an extension of the Uruguay round agreement.

It is appropriate to consider why we need free trade. As the history of the world has developed different countries have created trade barriers. We have used all sorts of tariffs in our country to protect local industry.

We support and protect quite often inefficient industries all over the world. In other words when somebody can make widgets a bit better in Africa then we can and should allow them to do it. We may well do better some of the things we are strong at such as the pulp and paper industry. This is why free trade is good.

The important part for Canada is to realize that by freer trade we are making the trading mechanism more efficient. We are also increasing the actual trade in business that goes on in the world. Canada will have a percentage share of a larger pot. We will all be better off. Basically free trade is a win–win situation.

Another aspect in our economy and in the world is that bigness in industry is going out of vogue. Large industries throughout North America, Europe and other industrialized countries are under constant pressure to downsize, to be smaller, to be more effective and to be more efficient to deal with specific niche markets in their own communities. These two factors have a big role to play for Canada.

• (1155)

Canada has been very much involved in the resource based sector. I think of iron mining, steel fabrication and forestry products. All these industries, it would appear to me, are somewhat in decline in the sense that we have to put more value into our products. We have to add more value to them to be more efficient and attract world trade. It is no longer good enough to sell raw logs to China, for instance. We have to fabricate them in our country.

Earlier my colleague talked about the grains industry. It is important that we value add in the prairies before they go into the final markets.

In addition Canada has been typified as a country that has very specific trade alliances. Historically it started with the United Kingdom. It has since switched in the last century primarily to the United States. We talk about Canada being a world trader but in reality our major trading partner, the United States, accounts for something like 90 per cent of our trade. We are really not a world trader; we are a North American trader.

It seems this has to stop. We have to look at the world. We have to look at other markets. There are a number of reasons for it. It could well be that the U.S. market will not be expanding as rapidly as some other markets in southeast Asia, possibly Europe or even eastern European countries. These could well be the trading partners that will push Canada and its economy toward prosperity.

The World Trade Organization gives Canada an open door, a chance to do something different, a chance to trade differently. As we approach the 21st century it is a good time to look at our industrial policy and how it can change.

I talked about small and medium sized businesses. These businesses are growing rapidly and can attract world markets. They are the biomedical research industry, software development, telecommunications and geomatic engineering. These are some of the areas our country excels in. One of the problems is

that Canadians do not realize how good they are. They do not realize that people in other countries think Canada is a world leader in some of these areas.

The smoke stacks are growing idle all across North America. The smoke stack economy is falling into decay. For instance, a recent book by Nuala Beck states that in British Columbia more people are engaged in communications and telecommunications than in forestry. In Nova Scotia more people are engaged in education than fishery, forestry and construction put together. This should turn on a light. It should tell us that things are changing in our own country.

How can the government assist and make Canada a world trader? Small and medium sized business will be the engine of the future fueled by brains. It will be driven by a new set of entrepreneurs. These people will be the new employers. They will be the wealth creators. Statistics Canada recently showed that job growth was almost entirely related to companies with fewer than 50 employees. Those with greater than 50 employees were actually net job losers. When we talk about creating jobs—and indeed our government is committed to it—we must focus on where those jobs are being created. Clearly it is in the small and medium sized business sector. Employment growth in these companies averages 3 per cent to 10 per cent a year.

Canada has been historically a trading country. Thirty per cent of our gross domestic product is related to trade and most of the trade occurs with only a few companies. These are the companies that are downsizing about which I spoke before. Often they are the old industry companies.

We must create a new impetus to move the small and medium sized businesses into the international trading environment. Government can play a big role in this. Indeed the Department of Foreign Affairs and International Trade has some new ventures going with our banking community which are located in most of our international environments.

• (1200)

They are studying what it takes for these small and medium sized businesses to effectively access international trade. They have aggressive training sessions and are looking at new, intuitive ways to finance export trade for the small and medium sized business sector. The Export Development Corporation and the Canadian Commercial Corporation will be retooled and redefined to provide funding and capital support for small and medium sized businesses to access international markets.

We need to restructure our foreign missions. I had the advantage of being in Beijing in early May and visiting our embassy there. I was surprised at the attitude of some staff. Their orientation seemed to be to continue on in the international environment. They were going to move from Beijing to Africa and were never coming home. Quite frankly I took offence to their attitude toward Canada. This has to change. These people have to relate more to how we are going to expand trade for small and medium sized business rather than the IBMs of this world.

As you know, Mr. Speaker, the Prime Minister and others recently came back from the Team Canada mission. I would like to say one more thing about my own mission. Incidentally China is not a signatory of GATT but we feel that it will be in the near future. While I was in Beijing I was able to make a contact for some of the people in my riding. I note that the township of Whitby has entered into an economic alliance with one of the provinces of China. Eighty–five million people live in this province. Some of the small and medium sized businesses in Durham are now trading with these people. This has created employment. This is happening now. This is not an intellectual exercise.

Sometimes governments are the worst enemies of small and medium sized businesses. For instance the small and medium sized business community is assessed high taxation, both commercial and business taxation, meddlesome provincial standards and regulations, the dreaded GST and high levels of personal and corporate taxation.

The deficit has hemmed us in. It has also created a crowding out in the capital markets. The small and medium sized entrepreneurs cannot get the capital they need to establish themselves. Our best commitment to the small and medium sized businesses will be to reduce deficits, to reduce demand on borrowing to allow capital markets to form and be available to small and medium sized businesses.

The government has done some things. They involve the Small Businesses Loans Act, venture capital programs, but there is much more we can do.

I am concerned that the small and medium sized sectors do not have adequate capital markets. We need to create an over the counter small market for small and medium sized businesses, one that is easy to access. It should not be like the TSE which requires five years of financial statements and a fairly substantial track record nor like the Vancouver Stock Exchange of which a lot of the investors of this country are a little afraid.

What we need is a regulatory process that will allow Mrs. Smith at the corner who would rather invest in GICs to invest in those small and medium sized businesses.

In conclusion I would like to reiterate that it is small and medium sized business, together with the GATT negotiations and Bill C–57, that will provide Canada a new future as it moves into the 21st century.

The Acting Speaker (Mr. Kilger): I am not trying to surprise anybody but the Chair cannot recognize anyone unless the member is standing.

[*Translation*]

I simply want hon. members to realize that the Chair cannot recognize anyone unless the member is standing in his place.

Perhaps I should explain this in a little more detail. The Chair agrees that the list is a tool that may be useful and it is useful from time to time.

[*English*]

If someone else was seeking the floor I would not hesitate. As your Speaker, entrusted with the protection of all members' privileges and rights in this Chamber, I would not hesitate to recognize that member who would be rising or standing in his or her place.

• (1205)

It is not to surprise anyone. I am not trying to sneak up on anyone or cause anyone any anxiety. But the debate has to follow certain processes, and that one is integral to our business here in the Chamber.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, I apologize. Put it down to my lack of experience. I thought you were going to call me at the beginning. I promise I will be there next time.

Today it is my privilege to speak in the debate on third reading of the bill to implement the agreement establishing the World Trade Organization or GATT.

This debate follows the defeat of two motions to amend the bill that were presented by two of my Bloc Quebecois colleagues, the hon. member for Laval East and the hon. member for Longueuil.

The purpose of the first motion, standing in the name of the hon. member for Laval East, was to establish a process for consultation with the provinces when implementation of the agreement relates to a matter within provincial jurisdiction, any matter relating to trade dispute resolution or any economic matter of major international significance. The motion also intended to make prior agreement of the provinces essential before authorizing any change to the agreement in respect of allocation mechanisms for tariff quotas and before establishing or implementing policies for selecting trade partners to receive access to the Canadian market.

According to the same motion, with respect to subsidized exports, the minister shall have regard at all times to actions taken in the relevant areas by foreign competitors. Finally, in respect of agricultural products imported beyond established tariff quotas at a time of shortage of such product in domestic markets, the minister shall take certain measures to ensure that such products are not imported at prices lower than those prevailing in domestic markets.

The second motion, presented by the hon. member for Longueuil, reflected the spirit of transparency and accountability by which we should all be guided today. We hoped to amend the bill to make it incumbent on the Minister of International Trade to lay each year before the House of Commons a report taking into account the priorities identified by the committee of the House of Commons that normally considers matters relating to external affairs. Such matters would concern the implementation of the agreement in Canada, trade obligations and commitments undertaken at the international level by trading partners of major importance to Canada, especially the United States, and finally, the impact of the agreement on Canadian workers and companies.

Unfortunately for the provinces, for the public, for taxpayers and for democracy, both motions were rejected by the Liberal government's silent majority. The bill would have been improved as a result of these two amendments. However, we can conclude from this exercise, whether we are talking about these motions or all the others, that the federal government is not at all in the mood for a real debate on the question, a debate in all serenity, a consultation that would enhance the bill before the House today. All the government wants is to see that this agreement, whose bulk is as impressive as its consequences for our economy, is bulldozed through the House at record speed.

• (1210)

Some people here have a good memory and will remember that parliamentary indiscretion, that breach of good government practices. We will remember how this very fundamental legislation was passed in dreadful conditions. If this bill seems to be an incidental measure, a legislative adjustment to the agreement signed by Canada in Marrakesh on April 15, 1994, the details of that agreement will have impacts which are yet largely unknown.

Perhaps even specialists in the field are still not aware of those impacts. The simple fact that they will not consult with the people who experience the market economy, that they will not listen to their representatives, that they will not listen to common sense and that they only deal in figures and macroeconomic data shows that the government is intentionally eliminating this information and, in so doing, could very well worsen the financial crisis in this country. The government is not assuming its responsibilities by passing this Bill C–57 so quickly.

My colleagues have explained it clearly. Quebec is in favour of free trade and international trade agreements. As the hon. member for Rosemont so rightly said, this is even a very elegant way of confirming the sovereignty of signatory countries while ensuring their association in this globalization of markets and economies. A sovereign Quebec would easily be recognized by

the World Trade Organization according to section XVI(5)c) of the GATT. This would lead to a definite trade association with all other member countries, including Canada.

I am not an expert in this very complex area of international trade. However, I do know that it is advantageous for all nations of the world to agree in order to set a level playing field for the relations between their respective markets, in a spirit of mutual respect. As Gilles Vigneault once said, the complexity of international trade is seven times greater than the mystery of the Holy Trinity. Ordinary people have a very hard time understanding the issue. That is why I feel I should explain the impact of the implementation of the agreement establishing the World Trade Organization with a very concrete and down–to–earth example, the marketing of chicken.

Canada signed both the Free Trade Agreement with the United States and the North American Free Trade Agreement, the NAFTA. Article 706 of the Free Trade Agreement says that if Canada maintains or introduces quantitative import restrictions on chicken products, it will have to allow import quotas equivalent to no less than 7.5 per cent of the previous year's domestic production. The provisions of NAFTA are much the same.

For 1994, the import quota for chicken is 46,488,000 kilograms. This is the maximum nationwide, and within this limit an importer can apply for chicken import permits. This quota seems quite sufficient for this year, since import permits granted up to October 25 represented only 76 per cent of the total quota.

Uruguay Round negotiations have replaced the quota system by a tariff system for agricultural products. This was a way to apply Article XI of GATT. Under this agreement, Canada submitted to GATT, on December 15, 1993, the list of tariffs which will replace the present quotas. According to this schedule, imports of chicken over and above the quotas accepted under free trade agreements will be allowed, but subject to duties amounting to 280 per cent of their value, a tariff high enough to protect Canada and Quebec producers for a number of years.

• (1215)

According to the agreement these tariffs must come down by at least 15 per cent over the next six years. It is, therefore, a new protection system. The previous quota system which restricted imports to 7.5 per cent of domestic production is now replaced by a tariff system.

This new formula still recognizes the notion of quotas, but any import above the quota will be subject to duties amounting to 280 per cent of the value. It is quite likely that this new tariff quota system will be in place by January.

Chicken will remain on the list of controlled imports established under the Export and Import Permits Act, so that all imports will require a permit. The way our domestic market protection system is evolving, in a paradoxical free trade context, is causing a certain amount of friction with our great neighbour. The United States claim that, by imposing new tariffs on bilateral trade, Canada directly contravenes its obligations under NAFTA. A strict interpretation of article 302 of this agreement shows that Canada must abolish all tariffs aimed at the United States by the end of 1998, and that no new tariff can be introduced by either partner. If that were the case, chicken production would no longer be protected.

For its part, Canada is of the opinion that GATT must prevail over NAFTA. Indeed, article 309 of NAFTA recognizes Canada's right to cite article XI of the GATT or any measures that might replace it, to protect its agricultural industry. This debate is still to come.

As far as the chicken market is concerned, we must recognize that there is no drastic change. Whereas we only had quotas per se, under this legislation we will now have quotas plus very heavy tariffs. What concerns our parliamentary wing, excuse the pun, are the provisions in case of shortages.

We do know that the demand for chicken products is increasing steadily. Be it live, eviscerated, cut up, boneless or processed chicken, these products are increasingly diversified and in high demand. While the quota may look quite high, certain sectors, such as the restaurant business, require products that can appear to be in short supply. In that regard, Bill C–57 leaves it entirely up to the minister to determine access and set the tariff accordingly for products considered in short supply.

Like the Canadian Federation of Agriculture, the Bloc Quebecois would have preferred that the minister be required to take action in case of shortage to ensure that the price of imported products is not lower that the one asked on the national market. Ministerial discretion remains a case–by–case approach that leaves the door open to favouritism, if not to circumventing standard, equal and equitable rules. Not to mention the zoning this bill does, a zoning that confirms all the disparity that exists in this beautiful country. This country is united only in its opposition to Quebec.

This creates some concern. How can we protect adequately our farming industry, all the while ensuring continuous supply by diversifying sufficiently this industry's production? That is the question a good many traders who depend on processed products are asking themselves.

The implementation of this legislation will no doubt give us a chance to get a very good idea of what is at stake over the next few months. As stated in the preamble of the bill, free, fair and open trade is essential for the future of this country's economy and for securing its competitiveness and long–term sustainable development.

Trade expansion contributes to job creation, achieves higher standards of living, offers greater choices for consumers and strengthens the economic union of nations.

• (1220)

A multilateral trading system of mutually agreed upon market access conditions and non–discriminatory trade rules applicable to all, is the cornerstone of any modern trade policy that is open onto the world.

The trade agreements resulting from the multilateral trade talks of the Uruguay Round will create an international trade environment much more open and stable for Canadian agriculture, resources, manufacturing, services, technology and investments. The World Trade Organization (WTO) will pave the way for integrated management of the new strengthened multilateral trade system, particularly with regard to trade dispute settlement.

As GATT's successor, the WTO will be a forum for future trade talks on the continued liberalization of global trade and the establishment of new international trade regulations. In this regard, we must bring Canadian legislation into line. That is why this bill, which amends some 31 laws now in effect, will implement the agreement establishing the World Trade Organization throughout Canada.

The future of peoples around the world depends on their economic agreements. That is why we are not worried at all about the inescapable links between the people of Newfoundland and those in Vancouver, between the people of Quebec City and those in Los Angeles, between the people of Halifax and those in Miami. The identity, the authenticity, the necessary differences that expand our horizons are not barriers but bridges between men and women of all ages and cultures.

Recognizing our differences does not mean withdrawing into ourselves but opening up to others. The legendary League of Nations is still an avenue which we must seek without denying others or ourselves. It is in this sense that international trade agreements are a concrete way of recognizing national sovereignty. You can rest assured, Mr. Speaker, that Quebec will be part of this international reality. A sovereign Quebec will be part of the global market.

In summary, the Bloc Quebecois will support this bill. Even though our amendments were rejected, even though we have some reservations, we know that the future of a people depends on its reciprocal agreements. We agree with the basic principles behind this bill. The implementation of the agreement establishing the World Trade Organization is necessary and desirable.

[*English*]

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I listened with great interest to the member who just spoke. I understand his concern for the adjustment that is required for the industries to make the jump to free trade.

The question I have for the member is which would he prefer, the phase down of tariffs over a 10 year period through NAFTA as he talked about earlier, or the system that is currently in place with the GATT where there is a tariff that will be reduced over a period of time? Which would be better for the supply management sector in his province that he is referring to? I would like an answer to that.

[*Translation*]

Mr. Godin: Mr. Speaker, I thank my colleague for this question. I am not a specialist in the field and besides you must understand that the application to this field is fairly recent. It is rather difficult for me to say exactly what is good or what should be subject to quotas or to tariffs.

Last week in my riding, the issue of the chicken trade came up.

• (1225)

A businessman came to see me about it. Here again it is rather difficult to say exactly what is good or what might be good in the future, tariffs or quotas. For now, I think that the businessman of course always tries to pay the lowest price for chicken and naturally he does not limit himself to our producers very often. I think that a balance must be found and only time will tell.

[*English*]

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I listened with interest to my colleague's comments, particularly with regard to supply management.

I would like to follow up a bit more. In his presentation the member expressed concern with the implementation of GATT and concerns about which free trade agreement, GATT, NAFTA or CUSTA, really will apply. Canada has one idea in that regard and the United States has another. Certainly these are very important issues.

I would like to ask another question. If Quebec is successful in separating over this next year or so, how would the hon. member rate the harm and damage to the supply managed sector in Quebec because of separation? For example, in dairy they will certainly lose half of their market virtually overnight because right now Quebec has almost 50 per cent of the market with only 25 per cent of the population. Certainly the rest of Canada would not be open to taking this oversupply.

I would like the member to comment on the damage that will be done due to separation as compared to his concerns in regard to the implementation of GATT and the other agreements.

[*Translation*]

Mr. Godin: Mr. Speaker, I thank my colleague for his question. When we talk about sovereignty, we must understand that if Canada were completely self–sufficient, maybe it could force its way or dictate to Quebec, but I think that Canada, like Quebec, is a country that needs outside markets and I am sure that Quebec will do very well in this big system of international trade which will be increasingly governed by such treaties.

To give the hon. member a better answer, I might suggest that he refer to what my colleague from Rosemont said in the debate on November 1. Here is an excerpt:

> It is largely a matter of international law, the broadening and reinforcement of which the minister praised today. Article XXVI(5)(c) of the GATT agreement provides that a new state carved out of a country which is already a member of GATT automatically becomes a member on becoming a sovereign state, provided it accepts the conditions and requirements applicable to the parent state. It is quite simple and clear. A C.D. Howe Institute study says that most Canadian experts fully recognize that fact.

Quite simply, Canada will respect and work with Quebec just as it works with all other sovereign countries.

[*English*]

Mr. Benoit: Mr. Speaker, I would like to pursue this matter a little bit further. I think it is very important that Quebec dairy farmers and Quebec farmers involved in supply management really consider this issue. It is extremely important.

• (1230)

I would like to ask the member to pursue this a little further. First Quebec is not a signatory to GATT or the free trade agreements. These agreements would not apply if Quebec were to separate. This is the first thing to consider.

Second, international law has never had a precedent set that would be along the line of Quebec voluntary separation. There is no precedent under international law.

I would like this member to explain how he can go straight faced to the Quebec dairy farmers and say we are not going to have a massive problem in terms of having markets available and with regard to prices falling virtually overnight to world prices, not to the artificially high prices set under supply management in Canada.

[*Translation*]

Mr. Godin: Mr. Speaker, I think I may have been misunderstood earlier. The hon. member should refer to the November 1 issue of *Hansard*. He will see that the member for Rosemont provided a very good answer to that question. This has to do with Article XVI(5)(c) of the GATT, which I could read, but what I said earlier is that a new state carved out of a country which is already a member of GATT need only apply to automatically become a member.

Also, you have to understand that trade is a matter of give and take. The government should not use scare tactics and have people believe that the milk which we sell to English Canada will suddenly no longer be bought by those provinces.

Let us not forget too that western provinces sell 600 to 800 million dollars worth of beef to Quebec. I do not think that the beef industry in English Canada exists merely to help Quebec. That beef is raised because there are profits to be made. And why do they sell it in Quebec rather than elsewhere? Because they have the advantage of selling it right here in Quebec, where their clientele is located.

It will be a matter of give and take. If you refuse to buy Quebec's milk, you might have to consider selling your beef elsewhere.

[*English*]

Mr. Benoit: Mr. Speaker, when the hon. member makes a comparison between supply managed industry, which is an industry that has an artificially high price developed, and the beef industry, he is fooling no one. Clearly beef trades at world prices everywhere including inside Canada. Quebec has become a much smaller part of the Canadian beef market. Trying to compare the consequences of supply management with that of beef is totally trying to fool someone and it is not going to work here.

I would like the member to respond to that.

[*Translation*]

Mr. Godin: Mr. Speaker, we are not trying to fool anybody. This is simply the reality. This is business. When you do business, whether it is milk, beef or other products, it is a matter of give and take. You negotiate and you strike a deal: I buy your product and you buy mine.

As regards Quebec's sovereignty, if it is so bad for Quebecers, then why is English Canada about to spend hundreds of millions? Already, the government is preparing to air 13 television broadcasts in Quebec, to show the benefits related to being part of Canada.

When I was 14, I was apprised of the sale of our neighbour's business. The buyer asked the following questions: "Do you want to sell your business?" "Yes." "Do you have debts?" "No." "Are you incurring a deficit or making a profit?" "I make a profit." "How much do you want?" The scenario will be the same for Canada. If Canada has a debt of $508 billion and a deficit of $40 billion, this will have to be taken into account. You can be sure that if it were not good for Canada to keep Quebec, it would let us go much more easily than it is doing now.

• (1235)

[*English*]

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I want to say a few words on Bill C–57, an act to implement the agreement establishing the World Trade Organization.

The World Trade Organization which Canada is joining will only work if there is a political will on the part of every nation to make it work. The Americans complain about loss of sovereignty through the GATT—tough bananas. We talked about that in this House during the free trade agreement and we did not get very much sympathy for Canada.

Whenever you join a world organization there are certain things to which you have to agree and as a responsible nation you are expected to fulfil. Therefore, every nation that joins the World Trade Organization had better know where it is going.

Just because we are having a debate in this House, just because we pass this bill does not mean that there are not going to be problems. There are also going to be many positive sides to the agreement.

The hon. member for Malpeque delivered an excellent speech on this a few days ago. He talked about the business pressures that are being brought to bear on the American Congress. Today where there is a Republican Congress and a Democratic president, it probably becomes even more underlined than it was a few months ago.

A business paper presented to the American Congress simply stated: "The only way that international bodies such as the World Trade Organization gain strength is to take power from their member countries. This is precisely what the World Trade Organization does. The World Trade Organization is a stealth–like power grab by international bureaucrats of unprecedented proportions. It diminishes U.S. sovereignty. It shifts control to a world trade system from developed nations to small and undeveloped countries. Most significant, it creates an international autocracy that overlaps United States democratic institutions". That is the kind of pressure that is being brought to bear on the American Congress by its business community.

Let us turn for a moment to what the Senate bill and the House of Representatives bill actually says to implement this legislation on the World Trade Organization.

Section 102(a)(1) states the following: "United States law to prevail in conflict. No provision of any of the Uruguay round agreements nor the application of any provision to any person or circumstance that is inconsistent with any law of the United States shall have effect". How can the United States under that condition sign the World Trade Organization agreement? It is saying it is not going to abide by it before it even accepts it.

Going on to Mickey Kantor who is the trade representative for the United States on the World Trade Organization, he said: "Our sovereignty is more protected under this new agreement than it has been in the 47 years of the old GATT.

• (1240)

Section 102 of the implementing legislation is clear that when there is any conflict between either the Uruguay round agreement or any regulation thereunder and U.S. law, the U.S. law applies in every case".

Those words are very familiar. I remember very clearly, as other members will, having heard those same comments in this same House of Commons when we were debating the Canada–U.S. free trade agreement, that U.S. law would prevail.

Those are some of the concerns that we must have in discussing this legislation. I want to come back to my initial statement that the World Trade Organization will not work unless there is a political will on the part of every nation that signs that agreement to make it work.

I have here an example of an American law that was passed in 1930 right after the great recession started. It dealt with products going to the United States. As an example, I will cite Eddy Match Co. If the match pack had the name of a restaurant on it, the made in Canada logo had to come right underneath the restaurant name. If it had the name of another restaurant, suppose it was a chain of restaurants, the made in Canada logo had to come immediately after that in the same size lettering. Everything had to be in the same size lettering.

When this did not happen, the trucks were stopped at the American border. The trucks were stopped at the American border 62 years later in 1992 because the made in Canada logo was not in the proper place on the package of matches to suit American customs. They were looking for irritants, for ways to keep Canadian products out of the United States. If this is the way they are going to operate, then how can the world receive fair treatment under these kinds of policies?

One of the ways for Canada to go in the World Trade Organization is to follow up on the excellent example set by the Prime Minister, by nine premiers and by about 375 business people, to bombard China in a very friendly way based on our relations over many decades. The visit to Hong Kong and to other Asian countries was a phenomenal success. The same process can be used in other areas of the world. We should be targeting those countries that are developing a large middle class. That is what there is in many Asian countries today.

There is a large middle class developing there that is going to be able to do business with other countries of the world. Business people could go there and talk to them and make

agreements. Selling our technology is a big route. Canada has laid some excellent bases on R and D and technology over the years.

Private industry in Canada has one of the poorest records of the big seven nations in the areas of participating in research and development. In order to make this World Trade Organization a success Canadian businesses are going to have to set more aside for R and D.

• (1245)

If they do not, we will be in trouble in competition down the road. If they do, we will be able to compete with anybody at the industrial level. The sale of two Candu reactors to China is one great example of what can be done.

Here is a developing middle class. Here is a country that is moving ahead very rapidly. It is going to need all kinds of energy. There is an opportunity there for us in the future for more sales. Radioisotopes for medical purposes, there is a whole market opening up around the world, particularly in Asian countries.

There will have to be a lot of emphasis put on eastern Europe. The economies there are in very bad shape. It is to the benefit of the rest of the world to try to help those countries get back on their feet so that they too become very worthwhile trading partners.

I want to conclude by repeating an article from the *Globe and Mail* dated January 9, 1992. I quote:

> As tariffs continue to fall under the Canada–U.S. free trade agreement, Canadian exporters complain that the United States is increasingly turning to the marking rules as a trade barrier to Canadian goods.
>
> "It's a significant irritant", said Jim Moore, vice–president for policy at the Canadian Exporters' Association. "The U.S. is the only country with comprehensive country–of–origin markings."

Those things have to go if we are going to deal with one another on a fair basis. The supply management system, which is very important to Canadian agriculture, will have to be protected in some way by this government. We have high tariffs now. We had better be ready for some strong negotiations down the road because we want those things to remain in place.

Farming is an industry in this country the same as any other. It has to be managed properly and it has to have the support of the Government of Canada.

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, I am pleased to rise today to address the legislation before us, Bill C–57, an act which implements the agreement establishing the World Trade Organization.

As a member of the House of Commons standing committee which studied this bill, I know how important this proposed legislation will be for Canadian business. The government is very aware of the need to provide a positive environment for business in Canada. We know that it is essential for business to have all the benefits possible to compete domestically and in the global marketplace.

Domestically the government has worked to provide an environment where more jobs will be created and business can excel. We have implemented the infrastructure program with the provinces, directly creating 90,000 jobs over two years. We are also outlining an agenda to create a better environment for small business, including working capital for growth, programs to help small businesses expand and create new jobs, the single business registration number to cut paperwork, Canada business centres for one–stop shopping for government services, and the technology incubator, a very important item.

With the co–operation of the provinces we have reached the first ever federal–provincial agreement on eliminating internal trade barriers, an area where much more work needs to be done. The Canadian economy created over 300,000 jobs in the first nine months of this year, most of them full time.

As an example, an upturn in the domestic and export sales in the automobile industry resulted in an announcement at General Motors that it would be postponing the planned phasedown of the foundry operations previously scheduled for December in my riding. The foundry is a major contributor to the employment in St. Catharines and this was very positive news.

We also know the importance of assisting Canadian business internationally. Canada belongs to a continually expanding international market. Making those markets accessible to Canadian companies is vital.

• (1250)

Economically, trade must be one of our top priorities. This is because one in five jobs in Canada is generated by exports. In fact among G–7 countries Canada is second only to Germany in dependence on international trade. Last year during the election this government stated in its red book that trade policy and trade relations are crucially important to the achievement of Canada's economic and social goals.

We noted the importance the GATT has had to Canada in improving access to international markets. We made it clear that we supported a resolution to the stalled Uruguay round talks.

The red book also dealt with the problem of definition of subsidies and dumping and that Canada has been subject to trade harassment due to the lack of definitions in trade agreements.

Dispute resolutions are often lengthy and costly and of no value in enhancing trade or relations between countries. I was a member of the special joint committee reviewing Canadian foreign policy which released its report a few weeks ago. The

report points out the need for creating and promoting an international orientation for Canadian business. This report also states that the World Trade Organization is crucial to the development of a rules based international trade system and should be targeted as a priority organization for Canadian involvement. There is no doubt in my mind that if the world is able to have a rules based trading system Canadians will be able to succeed on the international scene.

The Uruguay round took some seven years to be completed with some 123 countries involved. The agreement reached includes national commitments to lower tariff and non–tariff barriers, thorough reform of trade rules and the extension of the world trading system to cover the areas in services and intellectual property.

The World Trade Organization will implement the achievements of the Uruguay round. It will be a permanent effective institution to oversee world trade policy and settle disputes between nations on a multilateral basis. This is the beginning of a new trade era.

In his speech in the House on October 27, the Minister for International Trade said that the World Trade Organization will finally put international trade on a firm institutional footing by becoming the third pillar of world commerce and financial structure along with the World Bank and the International Monetary Fund.

The WTO is a major step forward in multilateral trade. It will assist Canadian exporters in obtaining fair access to foreign markets. This in turn creates jobs and provides a higher standard of living for Canadians.

Increased openness in markets is also good news for consumers, resulting in greater choices and decreased costs for quality goods and quality services.

Canada must be a leader in helping global organizations to mature. Last week I had the opportunity to tour a fish farm in my area which wants to export fish to Japan. The Uruguay round achieved tariff reductions with Japan of some 70 per cent. We know that historically the export of fish has been subject to harassment from countervail actions. Under the new deal Canadian exporters can expect more secure access to markets for export of fish and hopefully lumber, pork and magnesium, all of which have been controversial in the past.

Another company in my area would like to sell prefabricated housing units to foreign markets. This agreement provides major gains for Canadian exporters of wood and wood products. Negotiators representing our most important offshore markets agreed to phase in tariff cuts on wood and wood products averaging 45 to 50 per cent over five years. In the area of prefabricated housing, tariffs will fall in the European Union, Korea and in Japan.

Recently, as mentioned many times earlier, the federal government led a group of Canadian business people, provincial premiers and others on a trade promotion trip which resulted in great success and gives an outstanding example of Team Canada. Canadian business exporters and potential exporters learned that working together pays dividends.

• (1255)

I conclude by reinforcing once again that with rules based thinking and rules based agreements Canada will not only be better for it by its exports, but Canada can be a leader in having the WTO be good for large developed countries and also for the smaller, less developed countries as they too try to develop their areas.

The time has come for us to be an example to others by proceeding to implement GATT in the manner it was intended. The WTO is scheduled to supersede GATT in 1995. This is a major step for the international community and Canada is pleased to be part of it. As a member of this government and the committee that studied this bill with my colleagues across the way, I look forward to the implementation of the World Trade Organization in the very near future.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I enjoyed the comments of the member for St. Catharines. Having worked with the member on the foreign policy review, I know that he supports free trade and the move to the World Trade Organization.

I would like to ask this question: Does he also recognize, and I believe he does, there is considerable work that needs to be done at home to improve our domestic environment for business in terms of our internal trade barriers and how that is limiting our ability to trade and to give our small and medium size businesses an opportunity to develop so they can also become part of the international trade environment?

Mr. Lastewka: Mr. Speaker, I thank my colleague for Peace River. Yes, it was great to be able to work together with all of our colleagues on foreign affairs and trade. The member is absolutely right. We have a lot of work to do in Canada to not only be able to work with our exporters and the new exporters who would like to export. We must be able to provide them with communication networks much faster and much easier.

Likewise, I have had a committee in my area studying the various areas of the U.S. and Canada along the border. There are many free trade zones in the U.S. which export to Canada and other areas of the world.

We will have to look at, and I think the government is proceeding along this way, new ways to make it easier for our manufacturers and our businesses to be on the same level playing field especially with the U.S. as we try to export, not only to the U.S. but to many other countries around the world. It is very important that we work with these organizations immediately.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, again it gives me pleasure to speak to Bill C–57, the enabling legislation to implement Canada's participation in the WTO. To introduce more or less some of the ideas I would like to put forward, the big thing we all have to remember in the developing world and in a country like Canada is that globalization is an important part of what is happening in the environment in which we now have to do business.

We all have to recognize that the European Union is growing, is becoming more of an entity, more of a functioning trade part of the world. It was interesting this morning in talking to the President of the Czech Republic to hear him saying that they are an associate member of the EU, how they hope to become a member and by the turn of the century how that will be a very important part of their trade in the world.

As well of course we have the Asia–Pacific and the developing tigers with all of the power and strength in trade there. Then we have the Americas as the third major trading unit. As Canadians we are making a terrible mistake if we do not realize that we must become major players in the OAS and in all that means to the developing of Canadian business and Canadian jobs.

We have had a number of people tell us about some of the negatives, some of the concerns that we will not be able to compete, that our big brother to the south will gobble us up. I do not see that as being a fear. In fact I see the WTO as opening up things so that we now are dealing with a much more level playing field, as the hon. member across the way mentioned. That playing field will become even more level and we will do better when competing with the U.S. and with other countries.

• (1300)

We must become very aggressive. We have an inferiority complex and have not always been as aggressive as we could be in the world of international trade. We should assure the people who have concerns that there is a review mechanism and that the dispute settlement mechanism will work much better than anything we have had up to this point. It will be an opportunity to review the issues that affect the steel industry, the beef industry and those industries that have some concerns. We should reassure them by telling them they will have the ability to question the areas of their greatest concerns.

According to this legislation and similar legislation being passed by other governments of the world, WTO members agreed to reduce or eliminate tariffs and other trade barriers. This is pretty good stuff and is the kind of thing we need going into the 21st century. It is the kind of forward looking legislation that is going to create jobs and provide Canadians with a way of life to which we have grown used. It is the only way we are going to maintain that way of life.

Before I get into the main part of my speech, I would like to quote briefly from a chapter on international trade in the Canadian foreign affairs review, of which I and other members were a part. The chapter called for building shared prosperity. I put emphasis on the word prosperity. We are threatened with losing our position, our status and our quality of life and this is a way to turn things around.

I hope the Minister of Foreign Affairs will pay particular attention to this chapter and this section. One of the statements in the chapter reads as follows: "The wealth, prosperity and well–being of all Canadians depend in a decisive fashion on international trade, on foreign investment and on financial arrangements that facilitate or hinder trade and investment". We should hang on that for a minute and think about what it means to us going into the 21st century.

It goes on to state: "In the next century the key to Canada's involvement in the global economy will be its ability to build mutually rewarding trade and investment links with the new trading giants who will be our neighbours to the east, the south and to the west". We must look far beyond our borders for trade. It is one of the most important areas for our economy and therefore legislation that deals with it clearly affects the lives of every citizen.

I am sure it is no surprise to anyone that I am a free trader and that in my previous life, before I was elected to this position, I was a businessman. I believe that the WTO presents us with a singular opportunity to gain access to many new markets.

As already mentioned by several of my esteemed colleagues in the House, some new areas which have been added under the WTO over the old GATT agreement are services, trade related investment and intellectual property. These new areas are vitally important to our future prosperity since trade and services alone account for approximately one–quarter of the total $4 trillion in global trade. What better country to provide these services around the world, banking services, all kinds of services like that, than a country like Canada.

As we know, services are the largest sector of the economies of the industrialized world and in many countries one of the fastest growing. As a result of these new rules, the OECD has estimated an increase in world trade of at least $360 billion annually to the world economy. In addition the gains for Canada are estimated at $3 billion annually when the agreement is fully phased in. This is not chicken feed. Beyond this the extension of a rules based, multilateral system through the creation of the

WTO will also expand Canada's ability to ensure that the largest world traders do not use their economic power to unilaterally pressure Canada in any trade disputes which develop.

• (1305)

This new dispute resolution mechanism will also increase Canada's bargaining power in our trade relationship with the U.S. While this trade relationship is a good one and has allowed Canada to become the seventh largest trading nation even though we are only 31st in population size, it is not without its problems. I am certain the WTO will help us to manage this relationship over the coming decade and will promote prosperity within both countries.

I will now switch to the more general theme of trade and its benefits for Canada. Over 20 per cent of Canadian workers depend on exports for their jobs. That is over two million jobs. In addition over 30 per cent of Canada's gross domestic product comes from exports. Last year this amounted to around $181 billion in goods and services.

Therefore it is vital that Canada aggressively promote itself throughout the world. If we do not face up to the trend of globalization, then we are all going to be in big trouble. A country like Canada cannot afford to be protectionist in the mid–1990s. Therefore it is essential that the House support Bill C–57. We just do not have the people to do anything but.

The WTO offers Canadian businesses a great opportunity to continue building sales abroad. While we also have to open our markets to others I do not see this as a fundamental problem. While there will be an adjustment period for certain industries Canadian businesses can compete with anyone in the world. Let us not have that inferiority complex that I spoke about earlier.

All we want is a fair and open international system with a level playing field. The WTO goes a long way in accomplishing this. When it comes into effect next year the WTO agreement will commit some 120 countries to gradually reducing trade barriers. This will have the long term effect of increasing world trade dramatically.

As we know any increase in world trade means more exports for Canadian business and more jobs for Canadian workers, over 11,000 for every $1 billion in new exports. This means greater prosperity for Canadian families.

If we take the figures of the Department of Finance which it claims are conservative—I hate using that word—the WTO will lead to an estimated annual gain of $3 billion. This would translate into roughly 30,000 new jobs per year for this agreement alone. The WTO will also help us to diversify our trade patterns which are currently dominated by the United States. It buys some 80 per cent of our total exports.

One of the most exciting growth markets for new Canadian trade under the WTO will be the Asia–Pacific region which within five years could represent 40 per cent of the total global consumption of exports. To date we have had some success. Japan for instance is already the second biggest trade partner and purchases more Canadian exports than the U.K., Germany and France combined.

In addition China has the fastest growing economy in the world. With its huge population it is predicted that by early in the next century China could be the second largest economy in the world. At the present time there are still some problems with China's participation in the WTO but it is not a matter of will China join, it is a matter of when will it join.

We would like to see greater trade with Latin America. I have mentioned the OAS and the importance of Canada taking a leadership role there. While we would like to see the expansion of NAFTA which has already given Canada unprecedented and preferential access to Mexico's growing market of 85 million consumers, until such time as the Americas also decide that an expanded NAFTA is in its interest the WTO will certainly be an in for Canadian businesses. This is not to say that it is unimportant for the Canadian government to push for NAFTA accession. It simply means that the WTO will help in the meantime.

• (1310)

As I mentioned a few minutes ago, under the WTO a new dispute settlement body will police international trade disputes and ensure that legitimate complaints about unfair trade practices get resolved according to a clearly established schedule. This dispute mechanism will likely be much more effective than the one we have under NAFTA. This should help us considerably and help to allay the fears of some of our industries.

In my work as critic for foreign affairs for the Reform Party, I have heard time and again about the importance of such a rules based multilateral system. While the WTO does not solve all of the problems which exist over international trade, it does take a giant step in the right direction.

Hopefully in the years to come Canada will play a leadership role in promoting the strengthening of this rules based multilateral system by promoting the WTO to effectively deal with the questions of trade remedies and anti–dumping actions.

Another area which the WTO will have to tackle is the whole problem of agricultural export subsidies. While the WTO does good work to promote Canadian interests, clearly a great deal remains to be done to straighten out the mess of agricultural subsidies that have developed over the years. The Reform Party would like to see the government take a constructive and

aggressive role in this respect and the WTO is a vehicle through which it can happen.

I would now like to speak to the related topic of internal trade barriers. I heard the previous speaker talk about that a little bit. It is incredibly ironic that we are making good progress in eliminating our international barriers and yet we are stuck with the barriers within Canada.

Under the current system Canada's domestic market is seriously split by provincial trade barriers. This not only affects our competitiveness internationally but it reduces our collective prosperity at home. Provincial impediments to free trade add around $6.5 billion annually to the cost of doing business. This is absolutely unacceptable. It amounts to approximately $1,000 per family.

While we have taken some steps forward, nobody has really attacked the problem as we feel it should be attacked. We would press the federal government to push harder on the provinces to eliminate these trade barriers because this is going to slow down our ability to take advantage of the WTO.

If we could eliminate barriers to trade at home it would increase the efficiency of Canadian businesses and also expand their ability to trade internationally. What better way is there to improve our position in the international marketplace? This is especially true for small and medium sized businesses which are suffering under the current system.

To conclude, Canada must aggressively promote free trade throughout the world. This means eliminating provincial trade barriers, becoming a leader in the WTO, becoming a leader in the OAS and fulfilling our international commitments.

The first goal can be accomplished by working with the provinces. The second one involves working with other countries to ensure that the new World Trade Organization operates in a way that is genuinely universal and multilateral, with the widest possible membership consistent with generally accepted standards.

It is obvious that support for the WTO and the involvement is there. We can see the prosperity it will bring for all of us. It is just a matter of providing information to people about all of the positives that this new trade agreement will provide for us.

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, I want to commend my colleague from Red Deer for his excellent presentation. I was glad that he was able to bring out some of the flaws in NAFTA that have tried to be corrected in the GATT and now the World Trade Organization.

• (1315)

There has to be a lot of training and facilitating of people across Canada in various businesses as far as becoming exporters is concerned. They not only have to know the rules but have to understand what has to be done to export to various areas of the world where the member has travelled, I am sure.

To be able to market these goods, exporters will need to work together perhaps in a Team Canada approach across the country. As far as implementing the WTO is concerned, it needs to be done in a very short term to gain the advantages the hon. member mentioned.

Mr. Mills (Red Deer): Mr. Speaker, I thank the member for his question. As I mentioned, information is the key factor. The big problem has been that it is easy to trade with the U.S. Everybody knows the language there is English and the customs are somewhat the same; it is pretty easy to go down and trade there. When things get tight in U.S. trade we start looking internationally and our companies, particularly the big ones, start dealing internationally. The biggest problem has been that a lot of smaller and middle sized companies, once the U.S. market returns, go right back to the U.S. market and forget about their international interests.

I do not want to encourage government to set up more bureaucracy to try to obtain business out of the country. That is not the answer. The answer is to work with business through seminars and joint ventures to get people out there and get them the contacts. Government provides the contacts, much as Team Canada did. It opens the door and then those guys go for it. We have to get them through the door. That is all government should be doing.

It is a matter of encouragement and of helping with the technical aspects but not direct involvement or government agencies doing the work for business. That will never work. It will just become another drain on society.

Mr. Lastewka: Mr. Speaker, I thank my colleague from Red Deer for his response. Another area I would like the member to comment on is the importance of being able to export in areas where their language is not either of the two languages of our country.

He started to mention that there was work to be done and it takes time. I think he mentioned that it requires training and facilitating to allow exporters to export and that we should not only export south of the border once times get better. He mentioned that areas throughout the world needed to be explored and because of the world being so large we had to take things on a priority basis to facilitate businesses and let them do the work of manufacturing and exporting into those countries.

Mr. Mills (Red Deer): Mr. Speaker, again the member for St. Catharines raises important questions. I am sure we could work very well together in terms of what kinds of things we need to do to get business promoted.

We have a lot of people of various ethnic origins in the country and we must utilize them. In dealing with the Asia–Pacific we have a million people of Asian descent whom we can

utilize in the process and who can be an important part of what we do.

Again to go back to globalization, the EU has the advantage of being a more sophisticated market. It basically thinks nothing of knowing three or four languages and understanding much more broadly the cultures of other people. English stands one in fairly good stead in most European countries except for the eastern bloc. That will help us deal in that market.

English is pretty important in the Asia–Pacific but Mandarin is more important. That is where we can utilize Canadians of that descent to help us.

• (1320)

Let us face it. In the Americas there are 34 countries in the OAS and only one of them uses French. That happens to be Haiti. All the rest use Spanish or English. We must recognize the importance of those languages and the importance of using South American Canadians in that regard. It is extremely important. We need through foreign affairs to put a lot more effort into developing and utilizing Canadian citizens of those origins.

Mr. John Maloney (Erie, Lib.): Mr. Speaker, it is a pleasure to speak this afternoon on the issue of the World Trade Organization.

The Uruguay round of multilateral trade talks under the General Agreement on Tariffs and Trade or GATT was intended to bring world trade law into the 21st century. Negotiators agreed that this could be done by taking three key steps.

First, after painstaking negotiations the means were found to resolve longstanding quarrels over the existing trade of goods including agricultural products.

A second momentous measure decided upon was the creation of a World Trade Organization. The WTO will be a permanent, effective institution to oversee world trade policy and federal disputes between nations on a multilateral basis.

Third, trade services which account for roughly a quarter of $4 trillion in global trade were brought under the purview of global trade law for the first time.

Along with these three key steps, Uruguay round negotiators agreed on more than 25 separate measures which together amount to the most significant package of new trade rules the world has seen since the GATT was created in 1947. These measures include strengthened trade rules, particularly on subsidies and countervailing duties, and a more effective system of dispute management.

New areas have also been brought into the ambit of world trade rules including intellectual property, trade related investments and services. Most of the 120 countries participating in the round have made significant commitments to lower or eliminate tariffs and other barriers to trade.

Throughout the 26,000 page text of the Final Act of the GATT and all its principles, proposals and provisions there is one key theme: multilateralism. It is because the Uruguay round puts world trade law firmly on a multilateral footing that the global marketplace will never be the same. The WTO will put a brake on the tendency of governments to use unilateral trade actions to harass trade from competing countries. That means Canada will be less vulnerable to efforts by larger competing economies to use their size and power to interfere with Canadian exports. It is difficult to overstate how important an achievement that is for Canada where one in five jobs is created by exports.

I would like to talk about the second step. The World Trade Organization or WTO will implement the achievements of the Uruguay round negotiations. By replacing the GATT secretariat the WTO will co–ordinate the functioning of its three new components: the goods council, the services council and the intellectual property council. Dispute resolutions will be accelerated with a strict time limit established for the conclusion of the process once it is under way. Members also make a commitment to avoid using unilateral retaliation.

It is important to note that the WTO administered dispute settlement process will prevent a single member from blocking the adoption of reports of trade dispute panels or on appeal of appellate bodies. This institutional provision is the cornerstone to ensure that the new multilateralism functions smoothly.

As one of the most trade dependent countries in the world, the Uruguay round of multilateral trade negotiations was vitally important to Canada in terms of expanded access to markets and stronger trade rules and institutions. While the negotiation achievement is of historic proportions, the task remains to translate the outcome into reality.

Momentum must be maintained to complete the negotiations in areas such as financial services, telecommunications and government procurement. Clearly these are areas of growing importance to world economic development. We must all strive to realize the greatest possible degree of rules based liberalization. The potential benefits to both producers and consumers should not be denied.

There is a question of accession of new members to the WTO, particularly and pre–eminently China, Taiwan and Russia. Canada is on the record as supporting in principle their accession to the WTO. Broader membership will be positive for the rules based trading system and will offer significant benefits to the countries concerned.

• (1325)

However accession is not a right. Countries acceding to the GATT WTO must be prepared to commit to a transparent market oriented economy, to embrace the basic principles of the multilateral trade system and to provide real improvements in market access. On the other hand we must not impose requirements for acceding countries that are more onerous than those which apply to members.

There is the question of the new trade issues: trade and the environment, labour standards, investment and competition policy. These are questions all trading nations are grappling with. They are complex and do not lend themselves to simple policy prescriptions. However we feel that certain principles must be kept in mind as they are defined, debated and developed.

First, Canada does not support the use of trade sanctions to impose standards of conduct. Quite apart from the question of fairness in a world that is becoming increasingly interdependent where the one common denominator is adherence to a market based system, the costs of authorizing any one country to use its economic muscle to impose its own standards are too high for all.

Second, we must guard against the possibility that new rules can become a vehicle for new protectionism unless they reflect a broad international consensus. In this respect we are sensitive to the concerns of countries, developing and developed alike, that fear the new rules may be aimed at directing barriers to their exports.

Third, Canada wants to ensure that the rules of the multilateral trading system are complementary to and not contrary to the attainment of broader societal objectives. In the case of trade and the environment we are committed to the goal of sustainable development. With respect to trade and labour standards we endorse the need for compliance with internationally recognized labour standards.

There is an ongoing process to determine how labour and environmental issues will be handled by the WTO. At this time Canada is working with its trade partners on these very important matters.

We feel that international bodies such as the Organization for Economic Co–operation and Development and the International Labour Organization should accelerate their studies of these issues and use their findings to help guide discussion in the new WTO. We are concerned that without that kind of background work the World Trade Organization could get bogged down before it has had a chance to establish its institutional footing.

The Uruguay round of negotiations will have a significant impact on Erie riding in such areas as agriculture and steel. The world trade talks under the GATT produced a common set of rules governing world trade in agriculture. Canada's key objective in talks dealing with trade in agriculture included improved access to markets, increased disciplines on subsidies that distort world trade, more predictable and secure border arrangements to preserve Canada's farm supply management programs, and assurance that health and sanitary regulations will not be used as disguised barriers to trade.

Agricultural trade proved to be one of the most difficult issues tackled in the seven years of negotiation under the round. At the end of the day Canada had met its goals. As a result of the round overall tariffs on agricultural goods will fall by 36 per cent and no less than 15 per cent for any specific product in six equal annual steps between 1995 and 2001.

In addition, all GATT countries will open their markets to imports by specific minimum amounts starting next year in 1995, with the level increasing by 2001. Tariffs in place of quotas will also provide the tools to maintain an effective supply management system for Canada's poultry, egg and dairy producers. Producers of red meat, pork and horticultural products will also benefit from the new market opportunities in Asia and elsewhere.

Lower volumes of subsidized exports are expected to lead over the medium term to higher prices for grains and other agricultural commodities, spurring demand in Canada and other markets for agricultural machinery and equipment.

Canada's manufacturers shipped farm equipment worth some $865 million in 1992. Exports totalled $467 million. More than 90 per cent of these exports went to the United States. The United States also accounts for the largest share of Canada's imported farm equipment.

The Canadian industry produces four–wheel drive tractors, combine harvesters, seeding and tillage equipment, hay handling and harvesting equipment, grain handling and storage equipment. This technology is at the leading edge in production of cereal grains from large farms under the dry land prairie farming conditions. Substantial opportunities for export growth exist in Australia, Mexico, Europe, Russia, Ukraine and China. The John Deere plant in my riding, a leading manufacturer of agriculture equipment, I am sure would welcome these increased trade opportunities.

• (1330)

In recent years the Canadian industry has been in the forefront of several technological achievements. Among these is the development of a large capacity four–wheel drive and bidirectional tractors and axial flow combines. Such advances will receive worldwide protection for the first time under the new trade related aspects of intellectual property rights under the agreement reached in the round.

Over five years beginning January 1 next year, Canada and its major trading partners including the European Union, Japan and the United States, along with industrialized countries such as

Finland, Korea, Norway and Sweden, will phase out all tariff and non–tariff barriers for key products in this sector.

Full line firms producing major items such as tractors and combines will benefit as tariffs fall to zero in major markets. Short line firms making a variety of farm implements and attachments such as cultivators, chisel ploughs, seeders and fertilizer distributors will see tariffs fall to zero as well. Both full line and short line manufacturers will enjoy improved access to offshore suppliers of key parts components.

All this levels the playing field for Canadian farm equipment makers. Before the agreement was signed Canada and the United States both extended duty free access to agricultural machinery from all most favoured nation countries under the GATT. Many of these countries maintain tariff and non–tariff barriers against imported farm equipment. Within five years under the Uruguay round agreement these barriers will be history.

Located in my riding is a Stelco plant which is one of the 15 companies operating in six provinces that make up Canada's primary steel industry. My riding also has a productive nickel refinery, Inco, nickel also being a very essential component part in the steel industry.

In 1993 steel industry sales exceeded $8.6 billion. The industry employs about 33,000 Canadians. Another 18,000 Canadians work in pipe, tube, wire and wire products industries, transforming steel into other finished products.

As a result of the Uruguay round most developed countries including the European Union and Japan, along with Korea, will phase out all tariffs on steel and steel products over 10 years.

In conclusion, the establishment of the World Trade Organization is an expression of new realities in the economic and political relationships among nations. The trading system no longer operates as the exclusive domain of a few. As the Uruguay round negotiations unfolded over a seven year period we have witnessed an evolution in the roles of key players.

I spoke about the success of the Uruguay round and how it will positively impact on my riding. In a very real way our work has only just begun. With the all important creation of the World Trade Organization we have taken the first step. Now we must begin the effort of investing this institution with the commitment necessary to take us into the 21st century.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I listened very carefully to the speech the hon. member for Erie just made and I was surprised to learn that the John Deere tractor I own was probably built in his riding. I would also like to remind my hon. colleague from Erie that, in 1988, Quebecers showed the most support for international trade, and especially for NAFTA.

In fact, in more than 62 out of 75 ridings, the vast majority of Quebecers elected the Conservative Party which had made NAFTA the cornerstone of its 1988 election campaign. Of course, where agricultural products are concerned, Quebecers are extremely well positioned in supply–managed sectors, like poultry, milk and egg production. To replace supply management, the GATT agreement provides for what is commonly called tariffs that can reach up to 360 per cent in some cases.

• (1335)

As the previous speaker pointed out, these tariffs will be in place for the next six years, and this six–year period is crucial if our farmers are to adjust and take their place on the market.

Of course, in case of disputes, we will be able to present our case to the panel. This panel is fine, but among our representatives we need to have good negotiators who can stand tall instead of crawling in front of our opponents and saying: "We have already lost", even before beginning to defend the interests of the people they represent.

I recall three particular incidents where I have not been impressed at all by the way our representatives have stood up for us. First, there was the softwood lumber dispute, then the hog dispute and most recently the durham wheat business, which especially affected Western Canada.

I am concerned about the guarantee and I would like the previous speaker, my colleague from Erie, to reassure Quebec farmers that the people who will represent them before these panels will be up to our expectations.

[*English*]

Mr. Maloney: Mr. Speaker, I appreciate the comments of my hon. friend. I agree with him there is no question that our negotiators have to be firm and strong. I disagree with him on those issues he has mentioned, the softwood industry, the pork industry and most recently the grain situations.

There were panels, there were challenges. In all those cases it was found that Canada's position was the correct position. Certainly the agriculture minister in negotiating in those situations with the Americans—Americans are tough negotiators—has negotiated well for our country. Looking at those situations as an example, as a precedent, I have no concern that the interests of Quebec, the rest of the country will be well taken care of by our Canadian negotiators. We will negotiate strongly and firmly for the benefit of our agricultural industry.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I was curious to hear the Liberal member for Erie make some comments about the steel industry and the steel producers in his

constituency in light of the fact that he is supporting Bill C–57 before the House today.

He made the argument that the steel industry is quite important in his constituency and that this trade agreement will benefit it. This flies in the face of what the Canadian Steel Producers Association has told us in this House of Commons. It says this bill requires some significant amendments to ensure protection of the steel producers and the producers association in Canada with trade with the Americans.

The Americans have a very strong legislative arm which protects their steel producers. When Canada produces and sells steel to the American economy and to the American business it is subject to some very rigorous and tight regulations. As a matter of fact, there have been a number of occasions when the Americans have levied anti–dumping charges against Canadian steel producers.

Bill C–57 does not address the concerns of the Canadian Steel Producers Association. Yet the member for Erie and the member from the Bloc stood in this House saying they are going to support this bill. They are saying it is going to be good for the steel industry. To the member for Erie, why is he saying this is a bill he is going to support, that it is good for the steel industry in Canada, when the Canadian Steel Producers Association says that it is not good for Canadian producers of steel? It has asked for a number of amendments which the New Democratic Party has put forward in this House to assist it in having a fair level playing field with the Americans.

• (1340)

Mr. Member, why are you supporting this bill? Why are you saying it is going to help Canadians to—

The Acting Speaker (Mr. Kilger): Order. I regret that the question and comment period is relatively short when members are splitting their time. I would remind everyone to direct their interventions through the chair.

Mr. Maloney: Mr. Speaker, as a result of the Uruguay round, most developed countries including the European Union, Japan and Korea will phase out all tariffs on steel and steel products over 10 years.

I have a quote from the Canadian Steel Producers Association that says the Canadian steel industry will gain from the Uruguay round if, as expected, this further liberalization of trade results in improved economic growth and hence improved steel demand.

With respect to the new provisions governing subsidies, the Canadian Steel Producers Association said it was easier to take action against subsidies by one foreign country which caused serious harm to our export interest in a third country.

Canada's steel makers agree. Some benefit will flow from the procedural improvements negotiated respecting the administration of anti–dumping procedures. According to the Canadian Steel Producers Association the changes will bring U.S. practices slightly more in line with Canada's and reduce slightly the capacity of the United States to use anti–dumping actions for trade harassment.

The Canadian steel makers also welcome the WTO, saying that it will have a greater flexibility in its operations than the old GATT council which required unanimity to act. The assurance of access to markets secured by the elimination of existing trade barriers—

The Acting Speaker (Mr. Kilger): Order. I regret time has clearly lapsed on this round.

Hon. Raymond Chan (Secretary of State (Asia–Pacific), Lib.): Mr. Speaker, Canada's role in the world can be strengthened by developing a secure multilateral context for countries like ours within a framework of international law and the forum of the United Nations.

I would like to congratulate my colleague, the Minister for International Trade, for his work in promoting the implementation of the agreement establishing the World Trade Organization through Bill C–57.

The creation of the WTO is largely the result of a joint initiative by Canada and the European Union. The WTO is a means of securing a common institutional framework for the conduct of international trade relations.

The Uruguay round signed in April is the largest, most comprehensive trade negotiation ever undertaken. Under the Uruguay round agreement, the impact on the world economy is dramatic.

The final package contains over 30 agreements, capped by agreements to create the world trade organization, featuring a much strengthened framework for the settlement of trade disputes.

The Uruguay round will ease bilateral trade tensions and strengthen GATT rules to make the playing field more level, transparent and predictable. The round will pave the way to integrating developing and centrally planned economies such as China, our sixth largest trading partner.

Under the Uruguay round agreement, access to markets for industrial products will be substantially improved, with most tariffs being cut by at least one third. Overall, Canadian gains from trade by the year 2002 are estimated at about $2.5 billion U.S. The gain in net income directly and indirectly from the round is about $4 billion U.S.

Canada will benefit enormously from ratification of the Uruguay round deal and by our participation in the World Trade Organization through the passage of Bill C–57.

The WTO provides a trading environment that is more free and more fair. It will benefit our traditional agricultural and

resource sectors and provide more open markets for value added and high technology manufactured goods.

This will not only help Canada adapt to the forces of globalization but will enable us to seize its advantages through the development of a dynamic industrial structure. The Uruguay round will enhance very significantly our export prospects in the Asia Pacific, my area of responsibility and the most dynamic in the world economy.

The round will provide a tremendous boost to Canadian exports to the Pacific in agricultural and resource products. It will also reinforce new opportunities in telecommunications and other major infrastructure areas where the needs in Asia are massive and Canadian ability to compete is strong.

• (1345)

Through its supervision of the agreements made and its management, the WTO will be a great equalizer in international trade for smaller, medium sized and developing countries. Countries like Canada will be less vulnerable to the efforts of more powerful economies to interfere with Canadian exports.

Of special interest to Canada in light of recent experience is the speeding up of the process and establishment of time limits, the effort to make it more difficult to block implementation of a panel report and the commitment to avoid unilateral retaliation.

Bill C–57 will increase clarity and discipline in the use of multilateral trade rules. For the first time there will be an appeal process and binding effect which is an improvement over the current GATT system. It is important that Bill C–57 be enacted as soon as possible so as to give full legislative power to the minister as he pursues his important initiatives in the international arena for the benefit of all Canadians.

Canada's economic strength now and in the future will depend on our willingness to stay on the leading edge of freer trade, taking an active role in forging new relationships and building new structures to extend the reach of a rules–based international order.

The Prime Minister said in Hong Kong on our recent very successful trip to Asia: "We will be examples for the world and we will move into the 21st century, proud, competitive and generous". This legislation will ensure the success of the World Trade Organization and will allow Canada to remain one of the best countries in the world.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I wish to make a few comments to the hon. member.

I am not sure that the hon. member or the members of the government realize that the matter of protecting the viability of the Canadian sugar industry is at stake with this bill. It has been brought to my attention in the past week that if the U.S. actions continue to go unchallenged, which are in this bill, by the Canadian government Canadian companies will close many operations of the sugar industry.

In my area there is a possibility the Lantic Sugar Refinery will close January 1, 1995 if this bill goes unchallenged in the manner in which it is presented at this time.

I have been told that little did the government know that the U.S. took the opportunity to severely restrict our already limited ability to export to the American market when it tabled its market access commitments. This deals with the Canadian sugar industry.

Can the hon. member tell me what the minister is going to do about this? We only have about a month to go. It can mean 1,700 jobs in the sugar industry if we allow the bill to be passed in the manner in which it is written.

Mr. Chan: Mr. Speaker, I am not aware of the impact on the sugar industry.

If we look at the overall impact of the bill on Canada there is no doubt in my mind the Uruguay round and the establishment of the world trade organization is a step forward to allow freer access to markets around the world.

I would like to take the question under advisement and ask the trade minister and the department to look at the complaint and arrange for a proper reply for the hon. member.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, my colleague from the Liberal Party who just spoke presented several arguments to the effect that the WTO is supposed to be very beneficial to Canada's foreign trade.

• (1350)

He said that it will benefit farmers, the export of our natural resources, high–tech industries, and also our processing industries. Can it really be beneficial across the board?

He is known to be straightforward, and rightly so. Could he take a few seconds, a few minutes of his time to tell us in which areas it would be less beneficial?

[*English*]

Mr. Chan: Mr. Speaker, there is no doubt in my mind that some industries in Canada are less competitive and some are more competitive.

The most important part of this agreement is that it establishes a level playing field for all countries. There is a well–defined dispute settlement process. No longer can the unilateral actions of strong economies interfere with the exports of medium sized powers in the world. It is a great step forward.

As Canadians we have to be very competitive in using this opportunity before we can benefit from this agreement. There is no other way out. In order to remain economically strong and in order to keep all of our integrity and all the values we need to be able to compete in the global market. If we can have a free hand to compete in the world, if subsidies are eliminated from most of the other countries, even in the farming industry we should be able to compete proudly and freely.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, on debate, please.

The Acting Speaker (Mr. Kilger): Before I recognize the member on debate, are there any further questions or comments to the secretary of state?

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, as an official member of the joint committee on international trade, I had the opportunity to work at some length on the new direction to give Canada so that Quebec and Canada perform better on the international market. We examined new policies in various sectors, and the way Canada should behave with respect to international matters.

Today, we are focusing on Bill C–57 which confirms the World Trade Organization. As a member of this committee and as a member of this House for more that ten years now, I must say first off that I agree with the bill as a whole. This is why I am going to talk instead about the role lawmakers should play in Quebec and Canada with respect to this opening of markets we will have to face in the years to come.

It is the responsibility of lawmakers to co–operate in order to create and maintain a just and fair society. To create a just and fair society, we must ensure that individual Quebecers and Canadians have reasons to be hopeful, at least those who are willing to take the chance to be creative, to invest, and to be successful in this society. While being fair, we must make sure that people can hope to succeed without having to give before they receive.

Obviously, we must deal with the economy, which is in a sorry state right now. Almost 12 per cent of the population is unemployed, another 12 per cent is on welfare, which means that, depending on the region, 22, 23 or 24 per cent of the people who are fit to work cannot find a job. It is a great pity. We must deal with this appalling economic problem.

We must also see to it that the appropriate legislation is passed to improve the economic situation.

• (1355)

The economic problem, as I just said, is high unemployment, a skilled labour force unable to find jobs, a labour force which does not have the qualifications that the available jobs require, a low job–creation rate and deficiencies in manpower training. We can see that every day. There are major problems.

Productivity is stagnating. We know that it is not improving and we must find ways to increase productivity if we want to be competitive on international markets. Investments are also stagnating. We need a formula which will bring investors and for that, as I said earlier, we need a business environment favourable to investment.

For the last several years, investors have been reluctant to come here for several reasons, but in particular because of the debt and inadequate manpower. Then, there are the markets. This is a plus for investors, but we have to find new ways to stimulate investment.

At the present time, we depend on other countries for a large number of manufactured goods. For example, much manufacturing is done here but by American companies and we also import many products. We are dependent on imports and on manufactured goods that are produced here but not under our control.

We have to find intelligent solutions to promote job creation and to improve manpower training. We are still struggling with this question of co–operation, or absence of, between the governments of Canada and Quebec regarding manpower training. This is a terrible handicap for Quebec not to be able to control training and to prepare its labour force to serve adequately its businesses, and therefore improve productivity.

This stubbornness on the part of the federal government, which insists on national standards for manpower training, is not only regrettable, it is a disgrace. We know full well that several countries which are doing well, most notably Germany and Japan, have had regionalized manpower training for several years, something which is geared to local industry and also extends to scientific training.

Regions should be able to set their own standards to train people in areas where a given region has the most economic activity. Mr. Speaker, it is now time for Question Period. I shall continue afterwards. Thank you.

The Speaker: Dear colleague, you can resume after Question Period.

[*English*]

It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

THE ENVIRONMENT

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, the Deputy Prime Minister and Minister of the Environment recently announced a five–part action plan that will help to accelerate

Environment Canada's greening initiatives and save money.

One of the most significant changes resulting from this plan is the introduction of the green procurement policy to help ensure environmentally responsible purchasing. The procurement policy directs employees to use ecologo products or those that exceed the environmental choice program and to use products that have been recycled or can be recycled.

This policy also calls for the avoidance of products containing resources from environmentally sensitive areas. Personnel will also avoid acquiring over–packaged products and, wherever feasible, require suppliers to take back excess packaging for reuse and recycling.

In addition to saving the environment and money, the initiative helps to develop Canadian environmental industries, thereby creating jobs, stimulating the economy and improving our international competitiveness.

Many departments have already taken impressive steps in this direction.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, the Liberal government refuses to consider requests from the business community and citizens' groups for a reduction in unemployment insurance premiums. High premium rates slow down job creation in addition to putting an additional burden on the taxpayer, who is always paying more for fewer services.

How can the government keep turning a deaf ear to taxpayers' demands, when it knows that the current rate, according to the Minister of Finance, is killing jobs?

The minister should establish a genuine job creation strategy instead of trotting out the pretty speeches the Liberal government uses to impress the public.

The Liberal government should find a more imaginative solution than squeezing Quebec and Canadian taxpayers to service the debt.

* * *

[*English*]

REPRODUCTIVE TECHNOLOGY

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, in 1989 a royal commission was formed to inquire into the area of new reproductive technology. This commission spent four years on public hearings, research, opinion surveys, and consultation with a wide variety of groups.

In 1993 the commission published its two volume, 1,300 page report, making 293 recommendations. While it has been over a year since the release of this report, the government's belated response has been a promise for further discussion.

What is required now is action, not more discussion. That is why with the assistance from six of the commission's recommendations I have submitted a private member's motion on the issue of foetal sex testing for non–medical reasons.

I urge this government to follow my example and act upon the recommendations of the committee in order to prevent further commercialization of reproductive technology.

* * *

ALEXA MCDONOUGH

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I rise today on behalf of the NDP caucus to pay tribute to Alexa McDonough who last week stepped down as leader of the Nova Scotia New Democratic Party. Alexa's many achievements in Nova Scotia remind us of the way our party has been a path breaking party in welcoming women to positions of leadership.

In 1932 Agnes Macphail, who in 1921 was the first woman to be elected to Parliament, joined the CCF. In 1951, Thérèse Casgrain was elected to lead the CCF in Quebec and even though she did not win a seat she became the first woman to lead a provincial party in Canada.

One year after her election as party leader in 1980, Alexa herself became the first woman to lead a party in a legislative assembly. My colleague, the leader of the NDP, the hon. member for Yukon, presently completed this string of firsts by becoming the first woman to win the leadership of a federal party in 1989.

We thank Alexa for 14 years of dedication to fighting the good fight for social justice in Canada, a fight that needs to be fought the world over in this era of unrestrained globalization. We acknowledge the debt we all owe to the distinguished and committed Canadian women who have given leadership to our movement and made Canadian history at the same time.

* * *

[*Translation*]

QUEBEC PREMIER

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, last week, the Premier of Quebec spoke to members of the Canadian Club in Toronto.

In his speech, the indépendantiste leader warned his audience against the consequences of a win for the "no" side in the next referendum. He said that if Quebecers voted no to his plan for Quebec's independence, they would continue to be dissatisfied with their status in Canada, and for English Canadians, this

would be as bad as an endless session in the dentist's chair, according to the a daily newspaper *Le Droit*.

He stated that a win for the "no" side in the referendum would be useless and that all Canada's constitutional problems would remain, while a win for the "yes" side would rid Canada of the Quebec problem for good.

I think that this week, the Premier of Quebec missed a golden opportunity to explain what his sovereignty plan is all about. Scare tactics are certainly not the way to sell his plan to the rest of Canada. It is important for Quebecers to know exactly—

* * *

[*English*]

WINNIPEG WESMEN WOMEN'S BASKETBALL TEAM

Mr. Ronald J. Duhamel (St. Boniface, Lib.) Mr. Speaker, did you know that the University of Winnipeg Wesmen Women's basketball team is making history?

Last Friday evening the team equalled the North American record for the longest winning streak in collegiate sports with its 88th consecutive victory. The team has equalled the record set by the 1970–74 University of California–Los Angeles Bruins men's team.

• (1405)

These young women are truly unstoppable. This Friday evening they may well break the North American record when they face the University of Manitoba Bisons.

I ask my colleagues to join me in wishing all of the players the best of luck on the court on Friday night. To everyone, the players and the coach, Tom Kendall, we wish a new North American record.

* * *

PARIS SUMMIT ON AIDS

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, our Prime Minister will be attending the Paris Summit on AIDS on December 1. This summit is a French initiative in co–operation with the WHO. Forty–two countries representing 70 per cent of the world population will make a joint affirmation of their commitment to fight HIV/AIDS.

The Paris declaration will reflect the principles and values already adopted by the United Nations for HIV/AIDS and will add a new component for nations to respond to urgent needs with practical and lasting measures. This declaration would be operational by January 1996.

AIDS is a public health issue and political world leaders have made the fight against this disease a priority. Special attention will be given to reducing the vulnerability of women to AIDS to the important role of associations of persons living with AIDS and to strengthening national and international mechanisms for human rights and ethics as they relate to AIDS.

I am proud to say that Canada has gained an international reputation as a leader in all three areas.

* * *

[*Translation*]

SEVERANCE PAY

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, after all of four months of work, Mr. Gary Anstey, the former executive assistant to the Minister of Fisheries and Oceans, received $31,000 in severance pay. Mr. Ansley was rehired last month at an annual salary of $93,000, but was not required to pay back his allowance, despite the fact he had voluntarily left his job.

By way of explanation, the Minister of Fisheries and Oceans is trying to mollify the public's legitimate outrage by arguing that such practice is not inconsistent with Treasury Board guidelines.

So, what does the Minister of Fisheries and Oceans think of the rules established by the Minister of Human Resources Development, which deny benefits to unemployed workers who have voluntarily quit their jobs? This double standard policy is only good for undermining the credibility of the Minister of Fisheries and Oceans and this government as a whole, for perpetuating such a practice, which is even more unacceptable in the context of a public finances crisis.

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[*English*]

SILVER STAR MOUNTAIN RESORT

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, today I congratulate one of the stars in my riding of Okanagan—Shuswap. That star is Silver Star mountain resort, recently ranked as the best family ski resort by *Fodor's Insider Guide to Ski Resorts*.

Silver Star mountain resort, a 45–minute drive from the growing north Okanagan city of Vernon, also was honoured by *Ski Canada Magazine* in November as having the best on–mountain village in western Canada, ahead of Whistler Mountain village, ranked number two.

In 1993 some 263,000 people came to ski Silver Star, generating an estimated $50 million boost to the area's economy. The mountain has an annual snowfall of over 18 feet, providing consistent snow for its 72 ski runs served by 8 lifts. From water skiing in summer to snow skiing in winter, the beautiful riding of Okanagan—Shuswap truly is becoming a mecca for outdoor sports enthusiasts.

[*Translation*]

JAMES BAY CREE

Mr. Raymond Lavigne (Verdun—Saint-Paul, Lib.): Mr. Speaker, I am pleased to inform this House that the Government of Canada has recently signed with the James Bay Cree and the Province of Quebec a significant tripartite agreement regarding policing services. It provides for current resources to double, thereby enabling the police service to better protect the members of the nine Cree communities covered by this agreement.

This First Nation administered police service will be better suited and more sensitive to the culture and the needs of the Cree people. This three-year agreement faithfully reflects the major thrusts of the First Nations Policing Policy. This policy provides for costs to be shared by the Government of Canada and the provincial government on a 52-48 basis.

I am sure, hon. colleagues, that you will want to join me in congratulating the Solicitor General of Canada, the Government of Quebec and the James Bay Cree on the signing of such a major agreement.

* * *

• (1410)

[*English*]

REFORM PARTY

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, it did not take very long to find out how deep Reform Party thinking goes.

For over a year we have been listening to the Reform Party rant about cuts to government spending. Ranting is exactly what it has been because yesterday its finance critic admitted it has absolutely no idea what affect its $25 billion in cuts will have on Canadians or on the economy. Is this what the Reform Party considers responsible finance policy?

Presto, it is gone and who cares what happens? Who cares if it sends the economy spiralling into a depression?

The Reform Party may not care, but I am pleased that this Liberal government cares about Canadians and cares about the economy. The Reform Party has had over a year to look at government spending and this is the best it can do. Shame.

* * *

TEAM CANADA

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, the Prime Minister and Team Canada have shown the way to Canada's success.

The recent signing of billions of dollars worth of trade with China and Indonesia will ensure growth for Canada's economy. Business in the years to come will depend on gaining access to the ever increasing markets of the Pacific rim.

I ask my government to initiate a Team Canada approach to establish new economic ties with other nations. I encourage the organization of a trade mission in the Team Canada style to open up these tremendously important new markets to the goods and services that we produce in Bramalea—Gore—Malton and indeed in every riding in Canada.

* * *

[*Translation*]

ETHICS

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, after a year in power, the Liberal government has soon made a name for itself with the many cases of patronage and political appointments based on favoritism. Everyone remembers that the Liberals promised in the red book to reform the parliamentary system on a non-partisan basis once they were in power.

Instead of initiating such a reform, the Liberal government has just continued the same abuses as the previous government. This flagrant lack of ethics and of openness, despite the Liberals' own commitments, is fraught with consequences. It shows beyond any doubt that the Liberal Party of Canada, far from renewing the Canadian parliamentary system, is shamelessly immersed in the same arrogant attitude and even beating the records for patronage which they strongly condemned when they were in opposition.

Since the Canadian system cannot be reformed, that is another reason for Quebec to break away from it as soon as possible.

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[*English*]

FIREARMS REGISTRATION

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, a 20-year man in the RCMP recently made the following statement to me: "In my experience the use of firearms to commit assaults or murders pale by comparison to the use of knives or blunt objects. Restricting the lawful use of firearms by other citizens is an unnecessary intrusion.

If the government goes ahead with plans to register long arms we will be so bogged down by paper work and enforcement that criminals will be much better off. We might as well put our uniforms and revolvers in the closet because we will be busy filling out forms".

In my experience, the most vocal opponents of firearms registration are RCMP officers and especially retired officers,

including former Assistant Commissioner Robert Head and a couple of fellows right here on the Hill.

L.H. Nicholson, the most respected commissioner in the history of the force was adamantly opposed to registration. Of course the Liberals are not interested in the views of people who actually know what they are talking about.

* * *

TRADE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, for many years we have seen our access to the U.S. markets systematically reduced by the U.S. government. When Canada signed the Uruguay round agreement on April 15, 1994, the Canadian sugar industry applauded the conclusion of these negotiations.

Little did it know that the U.S. took the opportunity to severely restrict our already limited ability to export to the American market when it tabled its market access commitments. The result is that its market access stands to be virtually erased on January 1, 1995 when the U.S. implements its GATT schedule.

During the 1980s the U.S. government took action to ensure that Canadian cane refiners could not export to the U.S. Now it is the beet farmers who are going to be affected. There are 1,700 Canadian jobs that will be affected unless the government makes some changes.

• (1415)

I am urging this federal government to find a resolution to this problem. With less than one month to go time is running out.

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OSTEOPOROSIS

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, November is Osteoporosis Month.

Osteoporosis is a debilitating disease which causes bones to become brittle and break easily. More than one million Canadian women over the age of 50 have osteoporosis and another two million are at risk of developing the disease. Further, there are 400,000 Canadian men who are suffering.

Through education and awareness this disease can be prevented and treated. For this reason Health Canada provides financial assistance to the Osteoporosis Society of Canada and its "build better bones" campaign which encourages Canadians to assess their diet, ensure adequate calcium intake and make healthier lifestyle choices.

The Canada prenatal nutrition program gives mothers to be counselling and proper nutrition so they can increase their calcium intake. Educating women on how to stay healthy before and after pregnancy improves the lives of the next generation of Canadians.

I am pleased that these initiatives have the well–being of every generation in mind and suggest that perhaps MPs should audit their own lifestyles and take action now.

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GREY CUP

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, I rise in the House today to congratulate the B.C. Lions on an absolutely outstanding season, a brilliant win in the Grey Cup and keeping our treasured cup in Canada.

The B.C. Lions exceeded our expectations and defended Canada's honour by ensuring that a no–name team returned home as it arrived, empty handed. The Lions have made all Vancouverites, British Columbians and Canadians proud.

On behalf of all members of Parliament and all constituents of Vancouver South, I congratulate a fantastic victory by our football team, the B.C. Lions.

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD

[*Translation*]

BOSNIA

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we have learned that Bosnian Serb forces have stepped up their offensive against the Muslim enclave of Bihac, where 70,000 people are literally under siege along with 1,200 powerless peacekeepers. Meanwhile, the noose is tightening considerably around the peacekeepers in Visoko, whom the Bosnian Serb army is threatening to bomb within 48 hours.

Does the Prime Minister confirm the information that the Bosnian Serb army is about to bomb the Canadian peacekeepers' base in Visoko?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have no indication that the Serbs are about to resume their attack on the base in Visoko. We hope that everyone will stay calm, that the fighting will end and that a ceasefire will be declared as soon as possible.

The Canadian troops are there not to wage war but for humanitarian reasons, to distribute food and medicine to the population. They have done a great job so far, and neither the Serbs nor the Muslims have any reason to attack our brave soldiers.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, has the Prime Minister ascertained that the UN resolutions allow the peacekeepers to retaliate and assure their own safety in case the Serb forces carry out their bombing threats?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the United Nations issued very specific rules of engagement to every group operating under its authority. They can retaliate against any real attack, but I hope that they will not have to use their right of self-defence.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, can the Prime Minister tell us if Canada intends to use its influence so that the contact group composed of France, the United Kingdom, Russia, Germany and the United States will adopt a uniform position on how the peace process in Bosnia should be put in place?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, our Minister of Foreign Affairs is now in Moscow. He talked with his Russian colleagues a little earlier today. Everyone agrees that we must try to find a negotiated solution and that a ceasefire must be declared as soon as possible.

* * *

• (1420)

MIL DAVIE SHIPYARD

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, my question is for the Prime Minister. The Canada-Newfoundland Offshore Petroleum Board just made its ruling regarding the award, without call for tenders, of a construction contract to Saint John Shipbuilding, as part of the Hibernia megaproject. The Board ruled unequivocally that the MIL Davie shipyard, in Quebec, had suffered a prejudice, since it had bidden on this contract, unlike Saint John Shipbuilding. This important contract involves several hundred jobs.

How can the Prime Minister justify the decision made by the Hibernia consortium, of which he is a shareholder, to directly award the contract to Saint John Shipbuilding, rather than to MIL Davie, which is a blatant violation of the applicable rules?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I was informed of this regrettable incident yesterday. I agree with the hon. member that the contract should not have been awarded directly to Saint John Shipbuilding. I have asked the Minister of Natural Resources to immediately contact the chairman of the consortium and ask him to review the decision. Some claim that there was legal authority to act as they did, but they certainly violated the spirit of the agreement, to the effect that everyone should have a fair opportunity. We hope that they will review the decision and allow MIL Davie to bid, like other interested parties.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, will the Prime Minister pledge to give clear instructions to the representative who sits on Hibernia's board of directors, so that he will make a plea in favour of awarding the contract to MIL Davie?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have been in touch with the consortium to the effect that it should review its decision. We made it very clear. There is one representative, not directly of the federal government but of a corporation connected with the federal government, and we will give him instructions to vote in favour of changing the decision.

* * *

THE ECONOMY

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, today a confidential document produced by the International Monetary Fund states that the government's goal of reducing the deficit to 3 per cent of GDP is woefully inadequate and will permit the addition of another $155 billion to the federal debt over the next few years.

The problem here is that the minister's deficit reduction target is essentially political, geared to appeasing proponents of high spending rather than a real fiscal target aimed at balancing the budget.

My question to the finance minister is will he follow the IMF's advice and introduce more ambitious deficit reduction targets now?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the 3 per cent target is a very important target. It really does mark that point in the evolution of the nation's economy where once again the growth in the economy becomes superior to the growth in the debt.

The 3 per cent target as well is a very ambitious target. It means having the deficit as a percentage of GDP in under three years. It is a target that has not been hit by any government in over 20 years, and it is going to require a very ambitious program.

I would say that not only are we prepared to follow the IMF's advice but in conversations we have had in Madrid along with all the other countries in the IMF Canada was singled out for its economic performance.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the minister beats around the bush. Is not the real reason that the finance minister will not commit to firmer deficit reduction targets that he cannot convince enough of his ministerial colleagues to take the necessary measures to reduce government spending?

Over the last month we have seen minister after minister and heads of agencies show up at committees pleading for increasing or maintaining high levels of spending, not putting forward major reductions. For example, the minister of heritage last week is said to have promised his resignation if the CBC were to be partially privatized.

Is the Minister of Finance prepared to make the spending cuts, the level of cuts advocated by the IMF and others, even at the expense of the resignation of some of his ministerial colleagues?

• (1425)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, this cabinet and this government are united behind our goal to achieve the 3 per cent deficit.

There are no splits on this side of the House contrary to the splits which existed in the Reform Party when the leader of the Reform Party's hand was forced when his own members said finally after a year maybe they should get constructive and start saying what that party would do in terms of the deficit.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the fiscal reality is the international money markets have already factored in the government's deficit target, the Canadian dollar is weak, interest rates are rising and unemployment is still at the 10 per cent level.

Unless the government adopts a more courageous stance on deficit reduction during the present recovery it will make exactly the same mistake the Mulroney government made in 1984–85.

I ask the Prime Minister why does he not expend some of his present political capital on eliminating the deficit rather than allowing ministers to fritter it away on half baked measures?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have a program that is very clear. We have cut expenditures and we will keep cutting expenditures. We are making sure at the same time that we have growth in the economy.

If tomorrow we were to eliminate the deficit from $42 billion to zero there would be a huge recession in Canada. The wise thing is to do it in a progressive way. We are doing that.

There are a lot of people complaining because we have too many cuts but we will achieve our target of 3 per cent of GDP by the third year of our administration.

* * *

[*Translation*]

HIBERNIA PROJECT

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, my question is for the Minister of Natural Resources.

The federal government has been pouring billions of dollars into the Hibernia project. It has one of the six seats on the board of directors, which allows it to influence administrative decisions such as the one resulting in awarding a contract without tender to Saint John Shipbuilding.

Can the minister explain why she has consistently refused to answer the questions put to her by the opposition for several months now with respect to the lack of supervision of the day–to–day management of the company, which has led to the current problems with respect to the way contracts were awarded to Saint John Shipbuilding?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me reiterate that which I have said before and perhaps correct the hon. member in one small way.

We are one of five on the Hibernia management company. That company is seized with the responsibility of the day to day management of the Hibernia project.

I will reiterate here today, as I have before, it is not this government's intention to micro–manage on a day to day basis that project.

However, as the Prime Minister has indicated, in relation to the situation involving MIL Davie there is a clear report from the Canada–Newfoundland Offshore Board indicating MIL Davie and other Canadian companies were not given full and fair opportunity to bid for the work in question. The Prime Minister's answer has been clear today that we are as concerned about that as the hon. member and we will take action.

[*Translation*]

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, my question is for the same minister.

In view of the minister's answer not to interfere with the day–to–day management of the project, am I to understand that the federal government's refusal to intervene is part of its strategy to close down the last major shipyard in Quebec, while Quebec has supported 90 per cent of the efforts made to streamline the shipbuilding industry?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I want to repeat what I said earlier. I was informed yesterday that this contract might have been awarded without tender. We intervened immediately. We asked the chairman of the consortium to review the decision and to allow other Canadian shipbuilders to bid on the contract.

We acted immediately. The member's accusations are unjustified.

* * *

• (1430)

[*English*]

BOSNIA

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Bosnian Serbs have announced that they will shell the Canadian base at Visoko. Canadian personnel are

hunkered down in bunkers at this moment. The Sarajevo airport is closed. There is no humanitarian aid getting through.

Does the Prime Minister still insist that Canadian troops have a purpose in Bosnia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Canadian troops have played a very useful role there. When we look at the deployment of the Canadian soldiers to Bosnia, they have been called upon in very difficult circumstances to hold some very responsible posts.

They have been delivering food and medication and are still trying to mediate a possible peace. They are not there to make peace; they are there to supervise peace. There is no peace at the moment.

Yesterday I was very clear that everyone wants a ceasefire. We want the activities on both sides to stop so that Canadian troops, as part of the United Nations group, can play their role. I think they will serve to the end of their mandate because when Canadians say they will do something they stick to their word.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Prime Minister wants something the Prime Minister cannot get because the situation has escalated. There is no humanitarian aid being conducted in Bosnia.

General Rose said this morning that the situation was beyond the capabilities of a peacekeeping mission. If the troops needed to control the situation were brought in, Canadian peacekeepers would be forced into a combat situation when they have no mandate to participate in war.

Is the Prime Minister suggesting that Canadians should go to war in Bosnia or is the Prime Minister suggesting that Canadian troops should come out? What is the Canadian government's position?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Canadian position is a very clear one. It is to stay there and try to bring about peace. This is why they have been able to help a lot in the last three years. There was a debate in the House of Commons. Everybody was consulted. The majority of the House wanted the Canadian group to stay there and fulfil its mandate.

We will be negotiating with our allies, but we have decided that the best course is to be with the others to try to install peace there. It is not Canada's role to engage in war. They are not there to make war; they are there to bring about peace.

* * *

[*Translation*]

AIDS

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my question is directed to the Prime Minister, who will be leaving shortly for the Paris Summit on AIDS. Yesterday, the Prime Minister showed his complete ignorance of the subject. Unfortunate, but true. Let us hope he will be better informed today. The Prime Minister answered in the House yesterday that the amounts allocated for the fight against AIDS would be reviewed, as would all other government programs.

Will the Prime Minister confirm, as he is about to leave for Paris, that his government is preparing to cut funding for the fight against AIDS, contrary to the position he took when he was in the opposition?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I gave no indication that we intended to cut funding. We all know people would like to see us spend more on medical research, not just for AIDS but for other causes as well. The government has committed $203.5 million over a five–year period, and we intend to meet our commitments.

If we had more resources, we would be able to spend more. We still have $1.5 million which has not yet been allocated. The minister has several options, including the summit on this issue to be held in Vancouver in 1996. Part of the money will be used to prepare the summit, which will bring experts to Canada and help us make some progress in this area.

Yesterday, I was not aware of what was happening to the $1.5 million, but that does not mean I am not aware of what is happening in this area. In this particular instance, I did not know, I made inquiries and I have the answer today. I am sufficiently humble to realize I cannot know everything.

• (1435)

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, this does not make things any clearer. The Prime Minister referred to a commitment over five years. If the government is unable to give a clear answer for this year, does that mean it has decided to cut funding for AIDS?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have a budget that will be brought down in February. All items are now being reviewed. None are exempt, but there is no indication at this time that this particular item will be affected to a greater extent than other items. Personally, I hope funding will remain at the level we promised in the past.

* * *

[*English*]

CRTC

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Minister of Canadian Heritage.

On Friday the government announced its decision to override the CRTC by holding a review of our direct to home satellite policies. This review is being held in house and behind closed doors. Even though there will be public interventions in the

process, the decision will be made by a committee appointed by the minister.

The minister should prove that he is not trying to play favourites in the industry. Will he not allow the CRTC, his arm's length, independent organization, to give this issue its due consideration?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the Minister of Canadian Heritage and myself today announced the panel that will be reviewing the submissions from the public in our reference under the Canada *Gazette* on the direct to home policy.

I want the hon. member to understand very clearly a couple of things. First, this is in no way an overruling or a setting aside of the CRTC decision with respect to the exemption order that was issued. That order stands and the CRTC has enunciated its views on how it would issue such orders in the future.

Let me also make clear this point. We are dealing with the articulation of government policy. That is the responsibility of the government and not of a regulatory body. That is what this party was elected to do last October. That is the responsibility we bear and that is the responsibility we will carry forward when this policy is announced.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, is it indeed articulation of government policy that two of the three members of the government's so–called non–partisan committee have strong links to Power Corp, strong links to the Prime Minister and his associates or both?

The review process has not even begun and the fix is in. Will the Minister of Canadian Heritage restore the public's confidence in the process by dismissing the proposed committee and referring the matter to a joint heritage–industry subcommittee?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the member has made a very strong statement concerning three people, all of whom are former deputy ministers in the Government of Canada who have demonstrated their good judgment, their integrity and their intelligence over many years.

I want to assure her that I have endeavoured to the best of my ability to determine whether there was any possible conflict of interest for any of these individuals. It is my view that there is no such conflict of interest. If the hon. member is aware of a conflict of interest, I would like her to make specific allegations as to the nature of that conflict and make them in a forum where she is accountable for those allegations.

In the meantime I suggest to her that it is improper to impugn the integrity of people who are operating on the basis of a request from the Government of Canada.

[*Translation*]

FIGHT AGAINST AIDS

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

Yesterday, the Prime Minister did not know how Canadian programs regarding clinical research on AIDS worked. Yet, in 24 hours, he is supposed to discuss them in Paris.

Could the Prime Minister tell us whether his government has concurred with the joint proposal of the Canadian AIDS Society, the Canadian Hemophilia Society and the Canadian Public Health Association asking that the $1.1 million remaining in the discretionary fund be allocated to clinical and basic research to offset the acute lack of funds in this area?

• (1440)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I will try to explain the situation regarding this $1.5 million fund. I have said that part of it has already been allocated for the Vancouver Summit and that the minister will carry out her duty and allocate the remaining funds to areas where they can do the most.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, how can the Prime Minister justify that a mere four months before the end of the fiscal year we still do not know the intended use of this discretionary $1.1 million? I remind the Prime Minister that last year $800,000 lapsed. They were not spent because the minister failed to allocate them to community organisations.

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, this kind of questioning is rather ridiculous. To allocate the $1.5 million we have set up a committee which has drafted guidelines for the selection of projects.

We are currently considering a few applications; they have yet to be approved. We have earmarked $400,000 for the Vancouver conference in 1996.

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[*English*]

CHILD SUPPORT

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, my question is for the Minister of Justice.

I applaud the minister's statement of last week that he would overhaul the laws governing child support in divorce cases. My question for the minister is how? How does he ensure the needs of children are met? How will his plans ensure fairness and equity between parents and, most important, when?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I have been working with colleagues in cabinet on the questions my hon. colleague has put this afternoon to prepare improvements to the legal system concerning the payment and taxation of child support.

I can tell my hon. colleague that the proposals on which we are working will deal with three matters: first, the method by which the amounts of child support are determined; second, the method by which they are taxed; and, third, the creation of a national strategy to enforce these orders once they are made.

In connection with the first and the third of them, we have also been working closely with provincial and territorial counterparts to ensure that the process is integrated.

The ministers of finance, human resources development, revenue and my colleague, the Secretary of State for the Status of Women, will be bringing forward specific proposals including, as necessary, changes to statutes when our preparations are complete.

* * *

HEALTH

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the health minister wants to disrupt private clinics in Alberta that charge facility fees. This will disrupt private clinics in every province: chiropractors, physiotherapists, abortion clinics, executive health clinics. Shall I dispense?

Will the minister treat every private clinic in Canada in exactly the same way?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, it is very difficult when you are facing a bunch of clowns to be responsive.

Some hon. members: Oh, oh.

• (1445)

The Speaker: I know we all want to hear the response. I ask the hon. minister to please complete her answer.

Ms. Marleau: Mr. Speaker, private clinics charging facility fees for medically necessary services are a concern to all ministers of health across the country.

Last September when we met in Halifax, all ministers of health present, except Alberta's, agreed to work together to resolve this problem and regulate these clinics.

My message to Alberta is join the rest of us and help protect medicare, our finest social program.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, Alberta did not join this task force because she has her own task force and will report directly to the minister. She knows this.

Let me describe two clinics. One deals with cataracts; a facility fee of $1,275, a doctor's fee $526. Another clinic deals with fertility; facility fee, $2,750 and a doctor's fee of $1,235. One is in Calgary and the other one is in Toronto. If she shuts down the Calgary clinic will she shut down the one in Toronto?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we know where the Reform Party stands on medicare now. For a party that prided itself on its integrity, it is a pity its members did not come clean during the election and tell the people of Canada they wanted user fees. They want cash register medicine. We do not. We want people to be treated because they need treatment, not because they have more cash than somebody else.

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[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, my question is for the Minister of Finance.

Yesterday, the federal government rejected a plea from the business community to lower UI contributions. While the Minister of Finance stated in his last budget that, according to his own figures, a reduction of seven cents would create 40,000 jobs, his colleague, the Minister of Human Resources Development, said that an unexpected surplus would allow further reductions.

How can the Minister of Finance justify his persistency in ignoring the representations made by the business community for further reductions of UI contributions, given that he claims he wants to create jobs and that the UI program has a $2.7 billion surplus?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I find it somewhat ironical that the hon. member would ask me today to heed the advice of the business community when he usually asks me to do just the opposite.

That being said, the hon. member must realize that I, and certainly the Minister of Human Resources Development also, want to lower UI contributions. In fact, we lowered these contributions from $3.07 to $3.00. It is very important to ensure stability. This means that we do not want to find ourselves in a position where we would be forced to increase UI contributions during a recession and lower them in a period of growth. We want to avoid a yo–yo effect. We want stability. We will lower UI contributions when it is appropriate to do so.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, unless I am mistaken, the Minister of Finance is accusing me of using discretion regarding the proposals made, when he should be the one doing so when it comes to solving these issues.

Does the minister realize that, by refusing to lower UI contributions to the level suggested by the business community, he merrily contradicts his colleague, the Minister of Human Resources Development, he deliberately sacrifices 100,000 jobs, this according to his own figures, and he confirms the

comments made by the vice–president of the Canadian Chamber of Commerce, who said that the Minister of Finance could not care less about job creation?

• (1450)

[*English*]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I welcome the member's conversion to the opinions expressed by the business community and the Chamber of Commerce.

I am sure that the other communities he represents will be delighted to hear of this conversion on the road to Damascus. I would suggest however that the member might want to listen to what the Minister of Human Resources Development and I have said. It is crucial once the unemployment insurance rates go down that they stay down. The business community and workers should not be subject to some kind of a yo–yo effect where every time there is a downturn in the economy we are forced counterproductively to raise those rates.

What we have said is that the rates are certainly going to come down. But when they come down under this government they are going to stay down.

* * *

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, on September 22 of this year the justice minister said in response to a question I asked him: "We read the report recently about the defects in the present registration system for restricted firearms and the need to improve the registration".

Was the Minister of Justice referring to the justice department report covering the review of the present handgun registration system submitted by Mr. Terence Wade or is there more than one report outlining the defects of Canada's registration system for handguns?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, that is the report to which I referred.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the Minister of Justice has not tabled the Terence Wade report with the Standing Committee on Justice. He has not made it available to the public and his departmental officials have refused to release the report to members of Parliament.

Is the reason the report is being concealed the fact that it contains a devastating condemnation of the current handgun registration system, reveals its failure to reduce the criminal use of handguns and also exposes the uselessness of the minister's plan to expand this failed registration system to rifles and shotguns?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, none of the above.

The fact is that I see no reason why the report should not be made available to members of Parliament. Had I known of the member's interest, I would have provided him with a copy.

I can tell the hon. member that the report evaluates the system for the registration of handguns and finds weaknesses and areas for improvement. It has been very valuable as we have looked at ways to design, should we decide to do such a thing, a registration system for the people.

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CANADA POST

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, my question is for the parliamentary secretary responsible for Canada Post.

Canadians from coast to coast are astonished to learn that last year Canadian postage stamps were printed in Australia instead of in Canada. What has the minister done about this issue?

Mr. Ronald J. Duhamel (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, it was in February that the minister indicated that Canada Post was anxious to have stamp production back in Canada as soon as economically feasible. In November contracts were signed with MBC Corporation and the Canadian Bank Note Company to return stamp production to Canada.

Members will be happy to know that beginning mid–December Canadian stamp production will be in Canada. It means more jobs for more Canadians.

* * *

[*Translation*]

GUN CONTROL

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice. Less than three weeks before the House adjourns for the holiday season, the Minister of Justice has still not tabled a gun control bill, despite his and the Prime Minister's repeated promises in this House.

Does the minister intend to table his bill before Christmas, yes or no?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, well before Christmas the government will announce its decisions in relation to the firearms control program of the government.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, the minister already told us on September 22 that he would table a bill, and not proposals, in November.

Since he seems to be retracting, is this how the minister intends to keep his word?

• (1455)

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, my I first observe that it is November until the end of tomorrow, at least it is on this side of the House.

Second, my commitment has been clear from the outset. It has been that at the instruction of the Prime Minister I would prepare specific proposals so the government could decide and announce its position in relation to the control of firearms in Canada.

That is exactly what we are going to do in keeping with my commitment.

* * *

WEST COAST FISHERY

Mr. John Cummins (Delta, Ref.): Mr. Speaker, earlier this month fishery officers presented the minister of oceans with a report showing that a lack of enforcement was a significant cause of this year's salmon disaster on the west coast. However the report presented by DFO to the minister's review panel did not give any significance to the reduced enforcement effort.

Why would the minister withhold this critical information from his review board?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I want to assure the member, because I know of his interest in the matter, that no information has been withheld from the Fraser review panel.

If there is information that ought to be presented to it by any member of the commercial industry, any stakeholder or by any professional group within the enforcement community, they are quite free to make those recommendations.

I have had a very constructive meeting with enforcement officers in Vancouver. I am studying the information that has been given to me. As a consequence of listening to people in the field, on the front lines and on the rivers I hope to do a better job in 1995 than we are able to do in 1994.

Mr. John Cummins (Delta, Ref.): Mr. Speaker, the fact is that information contained in the fishery officer's presentation was not presented to the review board. That presentation confirmed that habitat and poaching investigations were not done. Undercover investigations had come to an abrupt end and enforcement reports were not received at the highest levels.

Why did the minister not bring this and other critical information contained in the fishery officer's report to the review board's attention?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I did not clearly understand the question when it was asked the first time.

I have no intention of in any way, shape or form, directly or indirectly, trying to influence the flow of information or the outcome of the review being done by an independent review panel headed by the former Speaker of the House of Commons, John Fraser.

I agree that all of the information available ought to be presented to the panel so that a solid conclusion is arrived at. Any and all information provided to me, even in a confidential meeting by enforcement officers who seek to take me through an apprenticeship, is available and will be available to the full review panel.

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HEALTH CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Prime Minister.

The question of private health care clinics in Alberta has been discussed in the House for over a year. Clearly these clinics, which charge both the patient and the government, are part of a two–tier system. The Prime Minister has said he would not allow this.

As the Prime Minister was a part of the government that formulated the Canada Health Act when it came into being, could he say, because apparently the department can still not decide, whether these clinics contravene the Canada Health Act, as he understands it?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are completely committed to the Canada Health Act and it has to be respected.

In terms of the interpretation, that question is being evaluated at this time. Everyone knows that not every aspect of health care is covered by the Canada Health Act.

We are looking into it. If it is against the Canada Health Act we will apply the act and withdraw the money.

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I have a supplementary question for the Prime Minister.

• (1500)

With respect, Mr. Speaker, this has been under study for some time. It has been obvious to everyone that these clinics have been operating for some time. I would ask the Prime Minister

the date by which he believes the department can make this decision.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the minister indicated that this problem exists in the interpretation. It is being debated between nine provinces and the federal government in order to clarify what is covered by the National Health Act of Canada.

We are looking at this with the provinces. When this is concluded we will draw the line. If these clinics are not within the act we will withdraw the compensation as is mentioned in the act.

* * *

CHILD TAX BENEFIT

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development.

Last week Campaign 2000 released statistics indicating that there were 331,000 more poor children in Canada than there were five years ago. Given this deplorable situation, can the minister tell this House about his commitment to the goal of an enhanced child tax benefit?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I thank the hon. member for addressing what is probably the most important social issue in this country, the plight of many of our poor children.

As members know, we have tried to address this directly by putting it forward to Canadians as part of the green book. We want to mobilize full efforts behind opportunities for better work for parents of poor children, better support for child care, and certainly enrichment or increasing of child benefits.

The key question is can we mobilize the support of members of this House, the provinces, and Canadians throughout the country behind a major national effort to deal with the question of child poverty. I am still confident that we can and with the help of the hon. member and others I think we will.

GOVERNMENT ORDERS

[*Translation*]

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed consideration of the motion that Bill C–57, an act to implement the agreement establishing the World Trade Organization, be read the third time and passed.

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, it is with pleasure that, after being interrupted by oral question period, I take the floor again to say that I support Bill C–57 because Quebec is very open to international trade. We have always been very open to the world, particularly as regards trade.

I was in the process of explaining that rational solutions must be found, solutions such as encouraging economic growth within Quebec and Canada by providing our businesses with an effective trading environment. There are serious problems for businesses, because they have to deal with two governments which, in terms of taxation for example, use two different systems.

These two levels of government have environmental regulations and legislations that are completely different, which makes life extremely difficult for businesses dealing with them. For example, they have to conduct some environmental studies under Quebec legislation and others under federal legislation.

• (1505)

So it really hinders big projects that affect the environment. Everything is duplicated, like the manpower office, so that business does not have the environment it needs to develop. To act quickly on environmental issues, we must restrict the obligations that companies must meet in this regard.

One solution is international trade. It is not the only one, of course, but it is a very important way to promote our companies. Again, I must mention here that I tabled a motion in this House which was defeated last night. Its purpose was to provide the steel industry, among others, with sufficiently strict regulations here in Canada, or at least regulations that are as strict as those in the United States for import–export and especially for dumping.

This motion was defeated and, again, I did not understand why the government still did not accept this motion. On many occasions, representatives of the steel industry asked us to revise the regulations in Bill C–57. The government refused to support my motion and I am very sorry that this part of the law could not be amended.

I want to say to people in the steel industry, who are surely listening to me today, because they care about what is going on here, that we in the Bloc Quebecois did all that was necessary to meet their requests. Unfortunately, the government did not consider our demands or those from the steel industry.

To face this international competition, we must also encourage creativity. We also tabled a motion. The bill says, for example, that present products must be protected. We tabled a motion that would also have protected future products. We think it is very important, if you want to encourage creativity, our business people and small businesses, to protect future products in the same way as existing products are protected by law.

Once again the government refused to accept this motion, a motion we felt was entirely normal and fair in its attempt to help our creators, SMEs and researchers improve their prospects of succeeding in these increasingly globalized markets.

We must take an intelligent and structured approach. We must avoid wasting energy and resources on taking on all markets indiscriminately, without considering factors such as transportation, specialization and economies of scale. We need good strategic planning that considers our strengths and weaknesses, the benefits and drawbacks, while monitoring the development of attractive and promising markets.

In Quebec, we must consolidate our positions on the North American market, now and in the future. In Quebec especially, we supported the North American Free Trade Agreement, and we also supported the first free trade agreement with the United States, which, as I remember, was a very controversial issue. I was a member of the government at the time, and in 1988, when I ran for Parliament, I did so mainly to help adopt the free trade agreement with the United States.

• (1510)

I was supported in this endeavour by the vast majority of Quebecers. We were practically unanimous in our approval of free trade between Canada and the United States. For us in Quebec, it was crucial.

For many years and many decades, we have been involved in trade with the United States. About 80 per cent of our exports go to the United States. It should come as no surprise that we want to go on consolidating our efforts to continue our exports to this very important market.

To give you some idea of the size of the U.S. market, I will look at the number of people living within a certain radius. For instance, if we look at the number of people living within a radius of 1,000 kilometres from Montreal, including the United States and Toronto, there are 100 million people. Imagine, 100 million consumers, among the richest in the world! That is why it is so important for us in Quebec to continue to develop our exports and to do business with the northeastern United States.

This is not to say we should neglect other markets, such as Asia and the Pacific Rim. We know that in this region, markets are developing and the standard of living is going up, especially in Japan and China. Last year, China's economic growth was between 12 and 15 per cent. There are 1.2 billion people living in China. We should position ourselves so that we can take advantage of the future opportunities in those countries, especially in China.

We are somewhat apprehensive about letting the federal government be responsible for helping Quebec promote its economy. We have heard—it is not official, but there are indications—that the Canadian government intends to reduce the number of employees in charge of international trade in the United States, and increase the number deployed in Asia and the Pacific Rim.

This is cause for some concern as, for obvious reasons, and I mentioned this earlier, we want to continue doing business with the United States, and increase our trade connections with them. First of all, it is a great market, where trading is made easier by the fact that the Americans speak a familiar language, namely English, and that our cultures —economic cultures and social cultures— are similar. We live in a space that is almost the same, but it is quite another story when you talk about the Asia–Pacific area, with the linguistic difficulties being bigger, the distances longer and the efforts required to promote our products take longer and cost more to produce results.

In a context of staggering deficit and debt, I think that we must look at the easiest opportunities to increase the profitability of our businesses, so that our economy becomes healthier and that the governments can get afloat as soon as possible.

That is why I think and we, in Quebec in particular, think that continued efforts are necessary to try and maintain and increase our market opportunities in the United States.

• (1515)

Of course, this will require a high level of cohesion between our industries, the unions, the government, our universities, and so on. Without this co–operative effort, I think that we will find it increasingly difficult in the future to be efficient and productive.

This is why we, in Quebec, are looking forward taking our future in our own hands in order to act together and eliminate duplication of all kind that gets in the way of united action and efficiency. In that sense, we are looking forward to gaining control over our taxes, to spend this money according to our priorities and ensure that we succeed more rapidly in this global context.

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, first I want to congratulate my colleague from Longueuil on his speech, which is practical and sticks to reality. It is not a theoretical speech. We see that the member for Longueuil has experience.

I also thank him for reminding us that Quebec is open to free trade and foreign trade. Quebec is not a society that is turned in on itself, quite the opposite. I also thank him for recalling the importance of trade with the United States for Canada and Quebec; 80 per cent of our trade is with our big southern neighbour.

I would like to ask him this question: Does he believe that the agreements reached following the Uruguay Round negotiations will help the poorest countries progress? Under these agreements, will it also be possible to protect the environment and better protect the rights of workers in countries that are less well organized than western countries?

Mr. Leblanc (Longueuil): Mr. Speaker, I thank the hon. member for Louis–Hébert for his kind words.

I think that we must be very careful in helping the poorest countries, because we tend to think in the short term and to pay more attention to trade than to the poorest in the world. I think it is obvious that if we increase our productivity, our trade, our ability to pay, we will be in better position to help the poorest countries.

In many ways, we must be very careful not to work only with the countries from which we stand to gain the most. We must also develop markets with the poorest countries, thus helping them ensure their own development.

I made several trips to developing countries with External Affairs officials. The ambassadors I met told us that one way to help developing countries was to trade with them.

Since Bill C–57 is aimed at opening up trade, I think that if we do it with dignity, we can increase trade with these developing countries, thus helping them become better traders. There is nothing better than practice to learn how to do business.

If we can show developing countries how to borrow, how to lend, how to do business, how to make goods, I think it would be one of the best ways to help them.

• (1520)

This does not mean that we should not help those in need, those who must be fed every day, those who need help to become better farmers, and so on.

In this regard, I think that opening up markets to the entire world will give developing countries better opportunities to trade and to learn from successful trading countries. I am convinced that this will help them a great deal in the future.

[*English*]

The Acting Speaker (Mr. Kilger): I understand the hon. member for Winnipeg Transcona and hon. the member for The Battlefords—Meadow Lake will be splitting this next block of interventions, so ten and five each.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, it gives me great pleasure to be able to participate in this debate this afternoon. The NDP finds itself in the position of being the only party in this House to oppose the legislation we have before us, the legislation that would bring into being the World Trade Organization.

It appears that unlike the government, the official opposition and the Reform Party we are the only party willing to develop and maintain a sustained critique of the way the world is going according to GATT, according to NAFTA, according to FTA.

Some would say this places us in the position of being defenders of things past and in some sense that is true. We would like to defend the notion of fair trade and markets adjusted to meet social and human need rather than accede to the demands of the multinational corporations that the world be arranged for their pleasure, which is the way we view the WTO and the legislation to implement it.

The WTO is in effect a new constitution for the globalized economy that is written by and for multinational corporations. One of the ways this could have been offset would have been if some effort had been made during the negotiations or even after to introduce the notion of a social clause that would ensure multinational corporations and others recognize basic labour and environmental standards for instance, to prevent the race to the bottom or what is also called social dumping.

This was not done during the negotiations, although I understand that some countries did bring the idea forward, not Canada unfortunately. It was not able to be done during the debate on this legislation despite the amendments that the New Democratic Party brought forward because the government rejected our amendments suggesting it ought to work on a social clause and report back to the House of Commons on a regular basis as to what it had done in respect to developing such a clause.

Another concern we had during this debate, which we expressed at report stage and we express now, is that this new WTO, even though it supposedly offers a new rules based trading regime that will bring relief from trade harassment, in spite of this, American behaviour under NAFTA rules and the evasive measures the Americans put into their implementing legislation make it very unlikely that the Americans will play by the rules.

That is why we offered through our amendments to put into our legislation that which the Americans had in their legislation. We thought what is fair for the Americans is fair for Canadians. What is good for the goose is good for the gander, or however the expression goes. No deal, the government defeated our amendments, argued against them as did others.

One has to ask the question of globalization through the WTO, but on whose terms? It would seem to be on the terms of the multinational corporations and in a secondary way on terms that are more favourable to the Americans than to Canadians and to others. Americans always make sure they have these riders, these qualifiers, these caveats in their legislation to make sure the rest of us will play by these rules. When push comes to shove if their interests are at stake they do not have to play by the rules.

The WTO as it now stands without a social clause would be a constitution for a new world order in which the multinationals would preserve their position as what we would like to call outlaws. They would be free to pursue their own interests outside the power of the law of any one land whereas the constitution for the new world order of the global marketplace, the WTO agreement as it stands is remarkably one sided in our

view in its defence of the rights of investors and its silence on the rights of workers.

• (1525)

It pretends that labour, social security and the environment are not trade issues and that attempts to regulate in these areas will be considered barriers to trade. It is eloquent about the multinationals' right to be free of any public policy that would affect their rights to intellectual property or to the free movement of capital but it refuses to allow similar protection for workers' rights to form trade unions or to have a safe workplace.

In the developed economies of Europe and North America globalization has contributed to the chronically high levels of unemployment, falling real wages and workers facing the stress of longer work hours. Most important, wages and salaries are dramatically falling as a percentage of GNP. That is, workers are getting a smaller and smaller piece of the pie.

When robust rates of growth such as we are now experiencing in Canada continue to be accompanied by depression like rates of unemployment and falling real wages, it is clear that benefits from growth in the new globalized economy are going to a very select group of people at the expense of most Canadians.

Some developing countries in Asia have experienced phenomenal rates of growth in the new order but in the most successful countries like Indonesia, South Korea, Singapore and China such growth has occurred in societies without basic human rights, without independent trade unions and with economies in which child labour, prison labour, conscript army labour are widely practised. This is sometimes referred to as the Asian miracle, the new miracle. I call it just an old form of exploitation revisited and does not deserve the word miracle at all.

The WTO as it stands puts its seal of approval on a world economy in which the benefits of growth flow more and more to the shareholders of the multinationals and less and less to their employees and to communities. What we should be seeking is a WTO that concerns itself not only with the classic trade disputes between nations but also the problem of what has become known as social dumping, which I referred to earlier; that is, a nation's competitive advantage that results from unregulated labour markets and lack of environmental protection regulations and other ways in which nation states are being asked by this new order to play this sort of beggar thy neighbour game by reducing the quality of their social standards in order to create what is euphemistically called a good investment climate.

A social clause needs to be added to strike a balance between the market efficiencies of liberal trade and investment practices and the social solidarity of all communities that want basic human rights and decent employment practices enforced everywhere where capital is free to come and go.

In debate on report stage, as I mentioned, we proposed an amendment to Bill C–57 that would have had the government report to Parliament regularly on progress made in WTO negotiations toward a social clause. In a related amendment seconded and supported by the Bloc Quebecois we also proposed prohibiting the importation of goods made by children in contravention of International Labour Organization conventions.

The idea of a social clause is one that enjoys wide support around the world as a necessary counter weight to the liberalization of investment. A social clause for the WTO is supported by the International Labour Organization's secretariat which earlier this month recommended to the governing body of the ILO that there should be a social clause to the WTO.

The majority report of the joint committee that recently reviewed Canadian foreign policy also included a recommendation that there should be a co–ordination of international labour and social standards. We were disappointed therefore but not surprised that the Liberals who wrote that report did not support our amendment that would have been a step toward the goal that they share.

In debate on our amendment on child labour, the Parliamentary Secretary to the Minister for International Trade said that he agreed with the spirit of our motion and that the government was working with the OECD and the ILO on the question. He did not say, however, that at a recent UN meeting on the upcoming UN conference on social development Canada came down firmly against any attempt to link trade with labour or environmental standards. Shame on the government.

This confirms the dramatic drift of the Liberal Party to the right on trade issues.

• (1530)

The Liberals opposed NAFTA during the election on the grounds that there was no definition of subsidies and that the labour and environmental side agreements were not strong enough. They then proceeded to ratify NAFTA without a definition of subsidy and with the existing weak side agreements.

The Minister for International Trade then talked about the deepening and broadening of NAFTA, even comparing NAFTA to the early days of the European community. Now the Liberals say they are opposed to any linking of labour standards and environmental standards to trade in the WTO. The metamorphosis is complete.

On his recent visit to China and Indonesia, the Prime Minister claimed that the best way to improve the human rights situation in certain developing countries was to engage with them in trade. However, the WTO as it stands without a social clause will allow existing human rights abuses to flourish. There is nothing in the WTO that prevents countries from allowing child

labour, from using prison labour and conscript labour or from denying workers' rights to form independent trade unions.

China could join the WTO, as it is likely to do, and expect to enjoy the protection of the WTO free trade rules while it continues to allow 10–year old children to work in unsafe factories for virtually nothing. Indonesia could continue to operate an economy where over two million children work in contravention of ILO standards. For the government to deny any link between trade and labour standards makes a mockery of its claim to support human rights through trade.

Furthermore, and in conclusion, the advocates of the liberalization of world markets assumes that as developing countries become more prosperous internal social pressures will be generated from a maturing and self–confident workforce to insist on higher wages and better working conditions as happened in the past. This assumption fails to recognize that the vast pool of unemployed workers in rural sectors in the economies of east and south Asia, for example, not to mention in the former Soviet Union, creates a huge drag on the ability of wages to rise at a reasonable rate.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I rise today to speak on third reading debate of Bill C–57, the act that implements the agreement establishing the World Trade Organization and ties Canada conclusively to the GATT agreement.

Canadians know very little about the 26,000 page agreement that their government signed on their behalf at the special GATT meeting in Marrakech on April 15, 1994. The agreement was reached after eight years of negotiations. It is a huge deal that takes Canada even beyond where the Canada–U.S. Free Trade Agreement and the North American Free Trade Agreement dared to go.

Now, with very little debate, the federal Liberal government is going to accept the new world economic order dictated by the multinational corporations and reduce Canada's ability to determine its own economic destiny even further.

After yesterday's vote in which the Reform Party and the Bloc Quebecois joined with the Liberals in supporting this bill at report stage, it is easy to see who Canada's real opposition is here in Parliament. Only New Democrats, who have taken the time to examine not only the previous trade deals but this one as well, are standing up for the interests of ordinary Canadians in the face of economic globalization and the dominance—no, Mr. Speaker, the tyranny of the multinational corporations.

Make no mistake, the implementation of the agreement and the establishment of the World Trade Organization is the creation of a new world government which has the power to tell countries what they can or cannot do within their own borders. This will not be a democratic government. This is a new government dominated by the unelected and self–appointed multinationals that replace the possibility of a democratic response to the problems of the world.

This was the deal that was negotiated by the Mulroney team, but it was signed and is now being implemented by the Liberal government without opposition from anyone but the New Democrats. This is quite extraordinary.

The agreement through this legislation sells out farmers and working people alike and jeopardizes the future economic prospects for all of Canada's youth and particularly the youth who live in the regions of this country.

At this time in our history and at this time in our economic development, we should be doing everything in our power to stand up for Canadians in all walks of life.

• (1535)

The World Trade Organization is in effect the new constitution for the globalized economy that is written by and for the multinationals. The Liberal government has rejected a policy of developing a social clause to the WTO that would ensure that multinationals recognize basic labour and environmental standards to prevent the race to the bottom. I made comments about this and about child labour at report stage the other day.

Let me take a moment to try to tie together a couple of what would appear to be unrelated events. Only a short time ago the Prime Minister and all of the provincial and territorial leaders, except the premier from Quebec, toured China on a major business trip. They talked trade and they made a lot of deals. Every one of those deals was paraded in the pages of the newspapers around this country. What the Prime Minister and the premiers were telling us is that the economy in China is booming, or is expected to boom in the very near future, and that Canada must be a part of that.

Meanwhile, back home in response to their interpretation of the GATT agreement clauses, the Ministers of Transport and Agriculture were telling Canadian farmers that our domestic transport support program known as the Crow benefit will have to be changed. It would seem that the net result will over a few years reduce the money available to the Canadian grain to port for export, reduce the dollars available to farmers at the farm gate and likely as a result reduce the grain grown for export across the prairies.

Let us go back and have a look at China again for a minute. I just finished reading an article done for the Worldwatch Institute called "Who will feed China"? I certainly recommend the article by Worldwatch president Lester R. Brown to everyone.

Mr. Brown acknowledges the growing affluence of the Chinese. He acknowledges the growing population, the growing demand for food, the growing demand for meat in particular. More important, he points out China's shrinking capacity to produce food.

We know from circumstances around the world that as incomes rise, one of the first things that low income people do with their money is diversify their diets, shifting primarily to more meat, milk and eggs. In China as in Japan, South Korea and Taiwan before it, this is beginning to happen. Of course with the rising demand for a diversified diet also comes the demand for additional grain.

China has been encouraging the production of laying hens and therefore the production of eggs. The official goal of the country for egg consumption has been set at 200 eggs per person per year by the year 2000, double the quantity consumed in 1990. By the way, that is about the equivalent of what residents of the United States consume in a year.

With the Chinese population expected to reach 1.3 billion people by the year 2000, annual egg consumption would be expected to rise to 26 billion. Interestingly enough, Chinese hens lay about 200 eggs per year each so China will require a flock of about 1.3 billion hens to meet its needs.

The point to be taken here is that to reach this goal China will require at a minimum an additional 24 million tonnes of grain to feed those birds to produce those eggs and 24 million tonnes of grain just happens to be the equivalent of the entire grain export from Canada.

If the per capita grain consumption climbs even modestly in China from under 300 kilograms per person at present to 350 kilograms in the year 2030, demand will also climb to 568 million tonnes of grain. With a total production of only 263 million tonnes by 2030, the deficit will be made up by imports which will have to rise to a staggering 305 million tonnes of grain. We must recognize that in 1993 the entire export of grain from all countries around the world was just 200 million tonnes. In other words, by the year 2030 China could eat up almost two thirds what the world is producing today for export grains.

We know that China is not the only country that is growing and likely to experience a grain deficit. India, Iran, Ethiopia, Nigeria and others fall into this category.

• (1540)

We need our federal government more than ever to stand up for strengthened orderly marketing, single desk selling and internal transportation support so that as the world needs our grain we are not only producing it but we are also able to deliver it quickly and efficiently as required.

I see that my time is running out. Although there are many more things that I would like to say to contribute to this debate, in conclusion let me say to my colleagues in the House that not only am I opposing this legislation in front of us today but I am encouraging all members to oppose it and give Canada and Canadians a fighting chance to make it in the world today.

Trade can spread wealth and knowledge or it can accelerate the destructive trends now under way. Sadly, I see this legislation and through it this government taking us down a very destructive path.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I have a question for the hon. member. I will preface it with a truism. The truism is that if you do not compete you cannot be competitive.

Accepting that truism, I wonder if the hon. member would comment on whether or not in his opinion various protected industries in Canada have been made more competitive, which has resulted in lower costs and better product to the consumer as a result of restrictive trade processes in the past within Canada, trade barriers within Canada, and whether there is a parallel between interprovincial trade barriers which raise prices and decrease competition and national trade barriers.

Mr. Taylor: Mr. Speaker, I am happy to answer that question and actually another one that came to my mind as the member from Edmonton was speaking.

Essentially, as I view the world I see the words competitive and efficiencies working hand in hand. A competitive economy or an efficient economy are one and the same thing.

To me, and more importantly as I look at the whole country, when the country or the world looks at an efficient economy it sees an economy that will produce wealth that can be redistributed to ensure that all members of that particular area will be able to benefit from that increased wealth.

An efficient economy produces jobs. The world economy today is not increasing jobs. The OECD countries are all exhibiting unemployment rates from 7 per cent to 30 per cent. Those sorts of numbers tell us that we are not a very efficient economy.

One of the things that I had hoped to indicate in my remarks while I had the floor but was unable to because of time dealt with the matter of trade and the environment. I wanted to indicate in answer to this question that I believe that trade and the environment are also very much linked. When we look to the future of the world and the carrying capacity of the earth it is very easy to see that our task as leaders on this earth is to ensure that we plan far enough ahead to ensure that our grandchildren will be able to

survive on this planet without eating foods made from artificial substances.

Currently when we look at GATT planning documents we see that these leaders are predicting declines in employment for many sectors of the existing economy. High on that list scheduled for future unemployment are our farmers, agricultural workers, textile workers and office clerks. From that list it would appear that the GATT planners seem to be expecting us to go hungry with no clothes on our backs, without any information from people who are supposed to collect it for us.

With world populations increasing the way they are, surely this is absolute nonsense. Canada's leaders should be looking at building an efficient economy that produces wealth to ensure that Canadians have the jobs to be able to compete with those in the rest of the world.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I did not have a list of speakers so I have been rising pretty regularly. I finally made it and I appreciate your indulgence.

It is always a pleasure to rise in this House and speak on the issues. Today it is the World Trade Organization bill. It is a pleasure as a farmer and now as a politician to address some of these problems.

• (1545)

I have heard so much today about trading with different partners. I would like to remind some of the hon. members in this House that when we talk about trade with the United States we have a trade surplus of roughly $35 billion right now as far as goods are concerned. We can imagine increasing our trade with the U.S. but I think we will also have to be realistic and realize that we import more from the U.S. at that time.

The problem as I see it is that we lose this huge trade surplus with the U.S., with negative trade balances with a lot of other countries that could really afford to pay for more products that we have to sell. Japan has a $2 billion trade surplus with us. Germany has the same amount, more or less. The British Isles have over a $2 billion trade surplus. Even Mexico has a $2 billion trade surplus with us.

When we look at those points there has to be something wrong that we cannot penetrate these markets. I have a big feeling that some of it goes back to the inefficiencies of our manufacturing and exporting companies. We have heard over the last couple of weeks in testimony before the Standing Committee on Agriculture and Agri–Food that we could probably donate raw products that our farmers produce to the manufacturing companies and they still would not be able to compete. It does not really seem that the problem of competition is in the primary producers' field.

Therefore I have to address one of the big problems that I see and that is in the transportation policy. If members watched the CBC last night they would have seen the CBC addressing the issue of backtracking grain from Thunder Bay to Winnipeg and into the U.S. We have heard so much that this Liberal government is trying to correct some of the problems that are there. I point out that the western grain transportation policy was passed by the previous Liberal government. It had a very nice provision in it where non–performance could be thrown against transportation companies like the railways and they could be charged if they failed to deliver the products that were guaranteeing under the Western Grain Transportation Act.

Backtracking is simply a breaking of that agreement. It is disrupting the transportation system. It is making it inefficient. It is not allowing us to compete with other countries. It is also putting an extra tax burden on our taxpayers. The one backtracking issue is costing taxpayers today anywhere from $15 million to $40 million a year. We cannot afford that in this country with the debt load we have.

We also have to realize that the railways probably are in a pinch in some areas. When we look at the over taxation on fuel compared with the United States and some other countries, if we look at the extra taxes that our corporations are paying compared with the Americans, they also are in a bind and are trying to somehow make ends meet.

Some other problems are in the management of the crown corporations. When we see a management person getting $300,000 as just a little benefit of interest free money, this is added into the cost of shipping our products. Those are issues that we have to address.

• (1550)

We say we need more value added. This has been the theme that I have heard on the farm for the last 10 years now. We need more value added but in the next breath we hear that we have lost 100 food processing plants and abattoirs.

Why has this happened? It has happened very simply because we were not competitive in the world's finished products. We are very competitive in raw products. However when it comes to the processing end and we see markups of 200 per cent from the time it leaves the farm gate until the time it hits the retailer, this is not efficiency.

These are things that have to be addressed before we will become competitive in the World Trade Organization. It makes one wonder sometimes why we would stress the point to become more efficient always at the primary producer to produce more. If we look back at statistics we see that we have increased production in grains and oilseeds. We have increased production in all other products far ahead of the efficiencies that have been built into our manufacturing plants.

We have to start realizing that something has to happen because if we are going to compete, we have to be competitive. It is imperative that the western grain transportation subsidies be revamped. Somehow under GATT it is going to be forced on us and the sooner we do it the better off we will be.

During the election the Reform Party promoted very strongly its plan of a trade distortion program that would take over the transportation subsidies. It seems to me that maybe that is the direction we will have to go to make our transportation system more efficient.

If I look at what is happening under the World Trade Organization rules and subsidies today, it means that we will be shipping a fraction of our grain under these subsidies and still be qualified as green. All of a sudden one day in the middle of a month we will find out that we have shipped an amount that we were qualified to ship under these subsidies and we will have a totally different freight rate.

This is going to cause a lot of stress in marketing especially when farmers are realizing that products like canola have a very small quantity allocated to them under this grain subsidies program because the quantities have been set according to the production that we had in the 1985 to 1990 period.

This means that canola production increased drastically from 1990 to 1993. Our limits on subsidized transportation on canola will be very small so that the producers who may be selling into that market in the first month will qualify for the subsidized freight and then the rest of the canola production will have to go under full freight rate costs.

This will also pertain to wheat and I can see this being very disruptive and argued among farmers trying to push their product on to the market, trying to get a little advantage, get a little better price, and it is going to create a lot of hardship and a lot of heard feelings in the farming community.

That is why I would suggest very strongly to this government that it quickly restructure the western grain transportation subsidies into another program so that we do not have these disputes arising even among farmers. We do not need any more disputes. We need more co-operation.

If we do not get more co-operation between farmers, manufacturers and transportation we will not compete in this World Trade Organization globe. It is very important that we do enter this World Trade Organization and play fair ball with it.

Mr. Speaker, it was mentioned before that you had some experience in refereeing. I think you will also agree that the linesmen were very important in that game, that they did have to help in keeping the game under control.

• (1555)

I think this is where the hon. member from the NDP failed to realize that we will have referees and linesmen who are not from the multinational food processing corporations. These are going to be set and enforced by countries. It is only with the will and determination of countries like Canada supporting this trade organization, making sure that the laws are kept and abided by that we will have a very successful entry into this trade organization.

I would appreciate it if the hon. members on the other side of the House would take it to heart and make us competitive by becoming competitive inside the country, doing away with trade barriers, doing away with overtaxation and doing away with some of the disruptions in the grain handling system by strikes. We need co-operation. We need this country to get more exports to improve our balance of trade and to make this country productive and rich again.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, this is an historic occasion.

The Acting Speaker (Mr. Kilger): On a point of order, the hon. member for Vegreville.

Mr. Benoit: Mr. Speaker, actually I was standing for debate. We had shared time, the member for Lisgar—Marquette and I.

The Acting Speaker (Mr. Kilger): Certainly in reviewing and consulting with the table it would confirm that the member for Lisgar—Marquette only used 10 minutes. Regrettably, the Chair was not apprised that the member would be sharing his time, but having only used up 10 minutes I will recognize the member for Vegreville for a 10-minute intervention followed by five minutes question and comment. My apologies to the member for Vancouver Quadra.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I am pleased today to take part in this debate on the implementation of the GATT agreement and the World Trade Organization.

This is the first time since GATT negotiations have taken place that agriculture is a substantial part in the agreement which is very encouraging. As we can see from the general support for this legislation which will implement GATT and put in place the World Trade Organization, there is widespread support in this House as well. I think it is very encouraging to see that.

There are however some problems with this bill. I would like to speak about some of the concerns I have with the bill, although again I want to reiterate that Reform does support this bill strongly and I support this bill. However, there are still some concern mainly with regard to implementing GATT and the workings of the World Trade Organization.

I know farmers are ready for this trade organization. I have seen this over the past years as the GATT negotiations have proceeded. I certainly hear it now from individual farmers and farm groups that they do support this deal. Clearly farmers are ready for this deal to be in place and to have the World Trade Organization in place as a referee, to use the analogy of my colleague. Is government ready?

I am going to ask a lot of questions today about whether this government is ready for the implementation of this GATT deal and for the World Trade Organization to be put in place.

My questions fall into two areas. The first question is in the area of interprovincial trade barriers and the lack of this government's dealing with that area, especially in agriculture.

• (1600)

Agriculture is a major part of the GATT negotiations. Yet in the negotiations on reducing interprovincial trade barriers held by the government with the provinces over the past summer, there was virtually no substantial agreement or deal made between the provinces and the federal government in the area of agriculture. This important part of trade in the world situation and in the GATT has not been dealt with in this country. That is the first area.

The second area is with regard to government agencies. I have questions about whether the government is ready for the deal when we look at how it is taking part and refusing to change certain government agencies.

I would like to briefly talk about interprovincial trade barriers. Agriculture is an important part of the overall GATT deal, but it has not been dealt with as a serious issue in terms of freeing up the barriers between provinces in the area of the trade in agricultural commodities. It is important that there be some action on the part of the agriculture minister and other cabinet ministers in the area of lowering and removing interprovincial trade barriers.

The third area is government agencies and how the government has dealt with them. The agencies I am talking about particularly are the Canadian Wheat Board, the supply management system and the Western Grain Transportation Act. I will keep my comments on the Western Grain Transportation Act very brief because the member for Lisgar—Marquette has already dealt with the issue to some extent. I will talk about the Canadian Wheat Board and some of the questions I have with regard to changes that will be required to the Canadian Wheat Board to make the GATT deal work.

In the agreement there are two changes to the Canadian Wheat Board Act. They are laid out in clauses 48 and 49 of the bill. Clause 48 deals with changes to section 45 of the Canadian Wheat Board Act. Under these changes the Canadian Wheat Board will control only exports and no longer control imports of wheat and barley.

I want members to think about that a bit. Right now the Canadian Wheat Board controls imports and exports of wheat and barley. Under the change the Canadian Wheat Board will only control exports of wheat and barley. I ask if it makes much sense for our government to control exports when we have just negotiated a trade agreement which is meant to allow for freer trade of goods in and out of the country. It makes no sense.

Clause 49 changes section 46 of the Canadian Wheat Board Act. It says that the Canadian Wheat Board no longer controls licences for imports into Canada. It gives up the restriction on imports of grain and gives up the control of licensing imports. At the same time it maintains under the Canadian Wheat Board Act restrictions on exports. It seems absolutely ridiculous that imports are no longer restricted under the act and exports continue to be restricted under the Canadian Wheat Board Act.

What does that mean in terms of what will happen in the grain industry? I think it means a lot of things. It means that American farmers will now be able to sell directly to Canadian millers while Canadian farmers may not. Does that sound incredibly ridiculous? It is. We need further changes to the Canadian Wheat Board Act to allow Canadian farmers to sell directly to Canadian millers. American farmers will have this right after the bill is passed, as it surely will be.

• (1605)

I would like to tell a story about a Canadian entrepreneur that I heard at the wheat board rally in Regina three or four weeks ago. To diversify his operations a farmer built a flour mill on his farm. He employed people from off farm to run the mill. It was the type of operation we all want to see.

What was his concern and why was he one of the speakers at the wheat board rally in Regina? The reasons are really quite simple. For him to use his own wheat in his flour mill, it was necessary for the farmer to sell his grain through the Canadian Wheat Board to be strictly operating under the law. He needed his own flour because he was making specialty flour products and selling them across western Canada. Yet to do that, to use the wheat that he was growing to produce flour, he had to go through the Canadian Wheat Board. That sounds almost unbelievable when we are talking about opening up the trade environment.

The farmer also wanted to expand into the American market with his specialty flour. What was restricting him from doing that? The Canadian Wheat Board was restricting him from doing that. He would have to get a permit under the Canadian Wheat Board Act to sell his flour into the American market, a restriction that he did not want to live with.

If we look at the particular situation of the farmer and carry it a little further and if the bill passes as it almost certainly will, the farmer may go to an American farmer across the border, buy his flour without going through the Canadian Wheat Board, buy wheat for his mill without going through the Canadian Wheat Board. He will not be able to do that under the changes. The sellers will not need a licence to import the wheat to be used in his mill. Yet he cannot use his own flour in his own mill. He cannot use his neighbour's flour in his own mill because of the restrictions of the Canadian Wheat Board. It sounds absurd and it is absurd.

I would like to ask the minister a series of questions. First, does it seem reasonable to allow Canadian farmers the same freedom American farmers enjoy? Does that seem reasonable? Should not Canadian farmers at least have the same freedom in marketing their wheat and their barley as American farmers have, especially when we are talking about marketing into the Canadian market? They do not now have the same freedom.

The second question is in regard to giving farmers control of the Canadian Wheat Board which, after all, is their organization. Farmers pay the bills to operate the Canadian Wheat Board. The Canadian Wheat Board supposedly exists for the benefit of farmers. That being the case, how could the minister or any other minister possibly refuse to give farmers control over this organization?

I have asked the minister this question several times over the past few months and the answer has been that they have to study the matter or the answer went in some other direction entirely.

When I am talking about giving farmers control over their own organization, I am only talking about farmers electing a board of directors to replace the present appointed board. That would make the Canadian Wheat Board accountable to farmers who really pay for the operation of the organization. Why on earth would the minister or anyone else have to do a study to decide to give farmers control over their organization by electing a board of directors? I cannot think of an answer.

I would just like to ask a couple more questions in the time I have left. Has anyone asked farmers whether they want the wheat board maintained as a monopoly operation? I know other Reform members and I have. The minister certainly has not and it is time that he did. The minister has an obligation to ask farmers whether they want this monopoly maintained. Has anyone asked farmers whether they want appointed commissioners replaced with an elected board of directors?

• (1610)

The Acting Speaker (Mr. Kilger): Order, please. I know 10 minutes can sometimes go by rather rapidly, with the greatest respect.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, I have a short question for the hon. member from western Canada. I would like to know what he has to say about the fact that we are still paying the cost of shipping western grain, in other words, Canadians have to subsidize the transportation of western grain. I always thought we should subsidize the transportation of grain in proportion to the distance involved. The fact is that although we subsidize the transportation of western grain, there are no subsidies for the transportation of grain from the East. I always thought that was unfair. I would appreciate some explanations from the hon. member from western Canada.

[*English*]

Mr. Benoit: Mr. Speaker, the question was with regard to subsidies and whether subsidies should be distance related. A further comment by the member that there were no subsidies to grain from central Canada was untrue. The seaway is a very expensive system to keep open and operating. A lot of government money has gone into and continues to go into it. Certainly there are subsidies to central Canadian farmers in terms of shipments as well as to western farmers.

The second point was why the Crow benefit, as it used to be called, came into being in the first place. It came into being early in this century to get raw product to central Canada for processing. That was the reason that the Crow benefit was paid in the first place. It was not because western farmers needed a subsidy. It was because central Canadian processors wanted western farmers to be hewers of wood and drawers of water. This is no longer acceptable. The Crow benefit payment has prevented western farmers from developing a processing industry in western Canada.

We can no longer talk about whether or not the subsidy should be distance related. The question is whether we should have a subsidy. The answer is no. There should be no subsidy connected directly with distance or to be paid out in any other way.

The money now paid out under the Western Grain Transportation Act, the Reform Party has said, should be put into a trade distortion adjustment measure which would compensate farmers directly for damage done due to unfair trade practices in other countries. The compensation could be for damage in any commodity; it would be commodity neutral.

The way things work, probably the compensation would be for grain at first. Certainly over time the compensation would be for other commodities as well.

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, I have a question for the hon. member about grain transportation. Today, to be eligible for the subsidy, western grain is first shipped to Thunder Bay, and we are talking about grain that is going to be shipped to Europe. Then, they ship it back to Vancouver, and from Vancouver the grain is sent by ship through the Panama

Canal to Europe. I would like to know whether the hon. member has some alternatives, when we are talking about saving money. I wish he could suggest some ways to save money in this particular instance.

[*English*]

Mr. Benoit: Mr. Speaker, I believe the question refers to the backtracking that has been occurring for several years and was pointed out to the minister very clearly a year ago. Backtracking involves grain being shipped under the subsidized rate to Thunder Bay and then going back at the full market rate. It makes no sense.

As my colleague mentioned before, it costs Canadian taxpayers between $15 million and $40 million a year. It is absurd. It should not be happening. Why could the minister of agriculture not say it will not happen any more within a month of when he found out it was happening? Why? There is no good answer for it. It should have happened.

The minister himself is backtracking. Originally he said that the backtracking would cease to exist on January 1. Now he has put it off until the end of July, to the new crop year.

• (1615)

Certainly there are some problems with contracts that were made before this problem was widely recognized but those should be dealt with directly and backtracking should have ceased long ago.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, it is an historic occasion to enter this debate because it does mark the end of half a century of specialized experience in world trade, what we would think to be flawed experience, and the moving into the 21st century.

I am reminded of the vision of the great wartime leader President Franklin Roosevelt whose plans for the post war period included not merely a United Nations organization but a parallel international trade organization that would promote principles of liberalism, free trade and that would remove trade tariff barriers around the world.

President Roosevelt did not live to see his vision implemented or to see it fail. The reasons for the failure are a matter for historians. Some wrongly blame it on the cold war but we would have to say it was the persistence of protectionist feelings in the United States associated with that tragically ill–advised attempt retroactively to cure the world depression, the Smoot–Hawley high tariff wall approach.

Mr. Roosevelt and his heirs, Mr. Truman and others, had to fight against that. They also had to fight against the neo–isolationist American thinking that one found bound up with the Bricker amendment controversy seeking to limit an affirmative American role in western Europe's political and economic recovery.

The failure of the International Trade Organization, the failure of the high hopes of Bretton Woods toward the end of the war led to the creation of this strange institution. Some have said, borrowing from *Guys and Dolls*: "The oldest permanent floating crap game in the world," but in fact it is a periodic, recurring international diplomatic conference, GATT.

GATT had many things to offer in terms of history, but if one looks back on it it was a concentration of particular problem solving operations, each bringing in its own set of specialists, each producing an arcane set of diplomatic negotiations that were never open to larger public debate.

GATT had a function to fulfil but the quest for overarching principles or an overarching vision of a world economy was simply not there. This is the significance of the revival half a century later of the concept of a World Trade Organization. It will finally balance in the economic sense what the United Nations is intended to do in a governmental sense.

With the World Bank and the International Monetary Fund, it completes a triad of international economic organizations. That is all to the good and we might say that it is about time. It is a federalizing process. It is a constitutional process. It will mean that the large issues of world trade are no longer debated in secret in those holiday resorts visited off season because that is really where the GATT conferences were held.

They got cut rate rates. One visits Uruguay in winter instead of the beach in summer. GATT had its function but it did not really answer up to the problems of the emerging 21st century. This WTO initiative comes with a period when the walls are falling down all around the world, all the walls. The Berlin wall falls politically. You cannot shut out the economic ideas when you open the way to political ideas.

It has been said, and it is true, that you can achieve a market economy without having a liberal democratic society but you cannot maintain the one without the other. The English historical experience was that certainly free trade principles emerged before the political liberalization but the political liberalization marches hand in hand with that.

In very many respects this is an historic occasion for us. The debate has been constructive and helpful. I noted in particular the interventions of my colleagues, my friends of the Bloc with their concerns about federalism. I can assure them that on this side of the House we share the desire for a more flexible, co–operative federalism in which there is, not merely as a matter of political common sense but also of a genuine sense of goodwill, co–operation and liaison between the federal government and provincial authorities. So much of the achievement of

free trade depends on the working co-operation at all levels of government.

• (1620)

Those interventions have been helpful and have been taken note of. You may be assured that in the implementation of the government's structural reform programs they will be operated on so that we move from a period in which Canadian economic policy has been governed by bilateralism plus multilateralism through this periodic international diplomatic conference that is called GATT into what has been called a mondialist, one world type of conception, a parliamentary constitutional organization where the debates are open, where the delegates can make thrust and counter thrust but where everything is into the open. That I think accords with the spirit of our times.

It is not a closed organization, although it is important to stress—and I think we have borne this in mind—that you cannot in our debate on an act to implement the World Trade Organization and in the guise of making amendments to national legislation insert unilateral reservations to an international treaty. If we are to be in at the beginning as a charter member of the World Trade Organization, we must do so without reservations and with the full confidence of our ability to make the system work.

We have disengaged more easily and more elegantly than some other countries, certainly more easily than our neighbour, the United States, from the old order. The swords are being turned into ploughshares. Economic forces guide the next century. The old order on which the cold war was based is over. As a charter member of the World Trade Organization we are in a position to make very concrete suggestions on the accession of new members. We can help the entry of China into this organization. We can look at the special case of Taiwan because I do not think Taiwan can be ignored. We can look at a place for Russia with its new liberalizing phase still to be completed.

There is an enormous challenge in this transition from a cold war, politically and militarily based world order to one based on free trade and the free commerce in intellectual ideas that goes with this.

This is something of a challenge to Canada because we have led in foreign policy in so many areas. We invented peacekeeping. In very many senses if you look at the substantive principles of the United Nations they are our ideas for a democratizing of a world organization that perhaps too easily fell into the concept of a permanent members' club. We are in the fight there.

This is the challenge of the new bill and in some sense the happiness that we find such a consensus around the House from virtually all the members of the House in support of this principle and this idea.

In moving the new system into the 21st century there is no derogation from our special relations with the United States and Mexico under NAFTA. These agreements subsist but they are seen in the larger context of one world with its own principles in which a pluralism of decision making occurs. This has been the Canadian way from the beginning. I return to my original point. It is a moment in history. Half a century, in a certain sense, of the carryover of the old, pre-World War II economic order comes to an end with new hopes and new visions. It is a privilege to have been part of it.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I was pleased to hear the hon. member for Vancouver Quadra put an historical sense to what is being proposed at third reading of the World Trade Organization, something that was attempted after the second world war and was always, by my reading of history, blocked by the United States.

• (1625)

It was interesting to note the hon. member mentioned that in his opinion and apparently in the opinion of the government as well because they did stop all attempts to insert unilateral reservations into international agreements.

I think he was referring to the amendments that NDP members had put before the House at report stage. Essentially we were attempting and continue to make the argument for a level playing field between ourselves and the Americans. Their law which we copied and we are hoping to insert into our law effectively says that where a dispute or problem arises on trade matters, U.S. law shall prevail. That is something the United States has adhered to ever since it became a country. Its constitution gives its Congress that right. I understand that.

However, I have greater difficulty understanding the action it has taken with its proposed law which effectively says the U.S. considers that consensus is still the rule in mediating disputes. That is not what all people conclude the international agreement says. It says where there is a dispute, the disagreement shall be resolved by a vote with the majority carrying. The U.S. persistence in saying that consensus is required means that in any dispute we might have with one of the largest economies and certainly a country with one of the largest armies in the world will only be resolved by consensus. This means if the U.S. does not agree to it, we do not get an agreement.

Since this is an historic occasion and we have gone to a true World Trade Organization where a majority rules and where the same rules will apply to all parties, does the member not have a bit of a suspicion in the back of his mind that as far as our relations with the United States are concerned, it is still going to

be its rules and the World Trade Organization will take a couple of more decades before it arrives between Canada and our major trading partner.

Mr. McWhinney: Mr. Speaker, I thank the hon. member for his very thoughtful question. We believe in the rule of law. The World Trade Organization has its constitution, its charter and its rules, including the rules as to how decisions are made. We will try to apply that to other countries, including if necessary our neighbours the United States.

The charter will evolve of course. I would hope that we will be submitting amendments in the future that will strengthen the dispute settlement procedures and submit, in the ultimate, issues to the compulsory jurisdiction of the World Court. We are not afraid of that. For a number of reasons the United States is. But we can perhaps bring them along to our point of view.

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BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, a point of order.

I am sorry to interrupt. I will be just a second. I think you will find there is unanimous consent in the House for the following motion:

I move:

That if during Private Members' Hour a recorded division be demanded on Thursday, December 1, 1994, the same shall stand deferred until the conclusion of time allotted for the consideration of Government Orders on Tuesday, December 6, 1994.

(Motion agreed to.)

* * *

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed consideration of the motion that Bill C–57, an act to implement the agreement establishing the World Trade Organization, be read the third time and passed.

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, it is my pleasure to rise today and speak in support of Bill C–57. I am not going to discuss agricultural issues today. I want to discuss the implications of this bill with respect to a major segment of Canadian industry, the petrochemical industry.

I am speaking in one sense out of self–interest because the petrochemical industry happens to be the largest industry in my riding. It came about as a result of chance when oil was first discovered about 20 miles outside the city of Sarnia in the mid–1850s. Oil was brought into the city by truck and train and later by pipeline to the point that Sarnia became an oil town. Out of that evolved the petrochemical industry which now plays a major role in the economy.

• (1630)

The demand for oil and oil related products particularly following the second world war led to an expansion of petrochemical companies throughout Canada but in particular in my riding.

We saw during the post–war period, after the second world war through to the eighties, massive expansion, massive demand for petrochemical related products. We saw that the income of those who worked in this particular segment of the economy was probably the highest per capita income of Canadians.

However, in the eighties, in the downturn, the petrochemical industry suffered a number of economic set backs. There has been a decrease in demand since 1988 due to the recession. There has been an increase in competition in particular in the Asian rim. Changes in government regulations have had a negative impact on an industry that remains very vital to our Canadian economy.

I would point out that in the province of Ontario the provincial government has imposed a number of environmental regulations which are driving business out of this part of the economy. In my riding alone there have been more than 5,000 jobs lost since 1988. Still, it is a vital part of the economy employing something like 17,000 people.

There are 17 petrochemical facilities in my riding. There are the Imperial Oils, the Shell Oils, the Duponts, the list goes on and on. There are 10,000 people directly employed in it and another 7,000 people working in related fields. It is interesting to note that employees in the petrochemical industry earn two and one–half times the annual salary of the average Canadian worker.

We realize that trade liberalization is a key to continued development in this industry. That is why passage of Bill C–57 is essential for the economic well–being of a large number of my constituents. To understand why that is the case, we only need to consider the chemical industry or the petrochemical industry in Canada.

Canada's chemical manufacturing sector has annual sales of over $10 billion and employs some 30,000 Canadians. It provides the basis for a broader chemical and chemical product sector which employs another 90,000 Canadians. This industry is Canada's third largest manufacturing sector and is also third in terms of value added. The chemical industry depends on international markets for its survival. Exports account for well over 50 per cent of annual production in Canada. In some facilities, especially in southern Ontario in my riding, it is well over 80 per cent that is exported.

That is why the normalization of tariffs achieved by the WTO is so important. If we consider for one moment the size of world trade in this industry, we will know that in 1993 total exports of chemicals worldwide were some $313 billion U.S., or 9.2 per cent of total world exports. For the same year total world production was over $1.25 trillion in U.S. funds.

Bill C–57 represents a significant step forward for the chemical manufacturing industry in my riding, throughout Canada and particularly in Alberta. By joining the World Trade Organization Canada and its major trading partners, including the European Union, Japan and the U.S. as well as other industrialized nations have agreed to harmonize a broad range of chemical tariffs at low rates of duty. Any Canadian tariff that is currently below the harmonization levels will remain unchanged.

Also included in the agreement are new global rules for the protection of intellectual property rights, including a set of standards in the area of copyrights and trademarks which commit each government to protect and enforce intellectual property rights. That is very important for Canadians where we have invented a number of procedures of a chemical nature that have been given protection as intellectual property.

This agreement will also result in several benefits for Canada in general. Once again I speak in favour of my riding which will benefit from it.

• (1635)

The reduction and harmonization of most favoured nation tariffs will improve market access for Canadian exports of chemicals and chemical products and plastics to niche markets. This improved access will be particularly beneficial for the export oriented petrochemical and synthetic resin industries located in Canada.

For Canada the strength of the World Trade Organization and the GATT lies in their broad country participation. The disciplines that will apply to developing countries will improve our access to these markets. By providing more open international markets the World Trade Organization agreement will assist the Canadian industry to become better oriented to global markets.

The traditional Canadian branch plant structure is giving way to one that is increasingly world competitive. International manufacturing mandates and research development mandates for Canada will be facilitated by this agreement. The World Trade Organization will also provide an improved dispute settlement regime for a more effective alternative to trade wars.

I would like to talk briefly about the future. Market access for petrochemical products is essential to the continued growth of the industry. It is vital for economic renewal, notwithstanding in whose riding it may be. To be globally competitive means to have real access to global markets. In ratifying this agreement we as a country are taking an important first step. We must continue our efforts if we are to ensure continued growth in this very vital sector of our economy.

Canada's trade negotiations are, in my opinion, to be commended for their accomplishments during the Uruguay round. They were successful in getting the key target markets of Korea, Singapore and Hong Kong to agree to most of the tariff lines. These markets are of particular interest to the petrochemical sector in Canada.

However, other countries—there is no question this is something that must be worked on—must be encouraged to join in in harmonizing their chemical tariffs in the future. In particular I am thinking of China, because China has a chemical industry that is two and a half times the size of Canada's in terms of production. The Chinese industry is growing at the rate of 15 per cent a year and we must convince the Chinese to harmonize their chemical tariffs and discipline restrictive border measures for chemicals so that their borders are also open to our products.

Briefly in conclusion, we have to realize that we are living in a world in which economies of scale are the determining factors. At the present time in Ontario and most Canadian manufacturers of petrochemicals are sized for the national and regional markets but they are not of international scope in size. To be truly competitive these facilities must be world scale in size. To be world scale in size they must be able to freely enter world markets without barriers in place. The larger our market the more efficient and competitive Canadian industry can be. That is obviously a truism.

Our world scale plants in the manufacturing of petrochemicals such as ethylene located in Joffre, Alberta and in my riding of Sarnia, add substantially to our balance of trade with other countries, especially the United States.

As Pacific rim countries attempt to break into the marketplace we are still in a position of strength. Recent studies clearly show that the workforce required to operate these petrochemical facilities is the second most educated and trained workforce today in Canada, second only to the software industry but in many respects virtually identical.

To ensure that there is a place for our technical graduates we as a country must constantly strive to ensure open markets for our goods. Quite simply many of our Asian competitors do not have the skilled employees needed to operate such facilities effectively or efficiently.

We must also remember that the production of petrochemicals ranks highest in Canadian manufacturing in adding value to raw materials. We have the raw feed stock in abundance, one need only visit the gasfields of Alberta to realize the volume of the gas stocks have. We have gas stocks in Ontario also. We must now ensure that we pass this bill in order to ensure that we have

the markets to which we can ship Canadian products. We can use these raw stocks and we can add great value to them in the end.

• (1640)

Finally, without the passage of this bill we will slowly but surely strangle this important segment of our industry in our economy.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, the hon. member started by saying that today he was not going to speak about agriculture. He did not but I have a question with regard to agriculture.

The member knows that in Ontario the Ontario Wheat Board has an elected board of directors. This elected board of directors controls the operations of the Ontario Wheat Board. In the west the Canadian Wheat Board is controlled by an appointed group of commissioners.

I am looking for an open and honest opinion. Does it make sense that a marketing group, the Canadian Wheat Board, which is paid for by western Canadian farmers, be controlled by a group of appointed commissioners rather than by an elected board of directors as is in place in Ontario?

If the member does agree this should happen, can he offer any suggestions for making it happen quickly? If the hon. member feels that it should not happen, that farmers should not take control of their organization which they pay for, why not?

Mr. Gallaway: Mr. Speaker, what so often happens with members opposite is they give true meaning to the Latin term non sequitur. In any event, I would have to confirm first what he has had to say before I could really offer any comment.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I would like to thank the member for his every interesting speech on the petrochemical industry, something that I really do not know very much about. I do not have that industry in my riding.

He mentioned the education of people working in that industry. Does he feel that our institutions are keeping up with that? Are they able to graduate the talent we need to be effective in the international marketplace?

Mr. Gallaway: Mr. Speaker, I do not think there is any doubt that we are able to graduate the kind of talent necessary to operate. As I have mentioned, we have led the way in many respects in terms of gas technology and other facets of the refining industry which is part and parcel related to the petrochemical industry. We have led the way in that in terms of technology and in terms of costs of unit production.

We are having problems with an aging workforce. The technology has changed so rapidly that it is sometimes difficult for that workforce to appreciate or to have a full understanding of what the science applied is at that particular given point.

That is an industry–wide problem. It does not apply just to Canada. It is happening in the United States, especially in the gulf coast region where the industry must constantly upgrade its workforce, not because it is a poorly trained workforce but because the science and technology is changing to the point that these people cannot appreciate the complexities of the theoretical level of what is happening.

The Acting Speaker (Mr. Kilger): It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Regina—Lumsden—Taxation; the hon. member for The Battlefords—Meadow Lake—Government Appointments.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is a privilege to speak to Bill C–57, a bill to enact the World Trade Organization agreement.

Canada has been, is and I presume will be a trading nation. The part of the country that I come from, the west, was opened to European civilization through the act of trading; the traders from the Hudson's Bay Company and the Northwest Company. Their main purpose for exploring the west was on a trade mission. It has been a healthy environment for Canada whenever we have been able to trade freely and unhindered.

I wish to speak today with regard to the issue of farm safety nets. They are also impacted by the legislation that we are dealing with today.

• (1645)

We have to understand that agricultural safety nets are really risk management policies. They are mechanisms to help the farmer manage risks associated with producing a valuable commodity, food. We all need it.

The production and selling of goods such as food has a characteristic in addition to its value as a physical sustenance that makes it unique. That characteristic is perishability. There are unique risks associated with the provision to the world of a perishable commodity, that food that sustains us all.

It is these characteristics of food and the accompanying risks that lead us to develop risk management programs or our farm safety nets. The basic responsibility for managing the risk falls to the farmer just as it does for any other businessman. Farmers accept the fact that there are unique risks in producing food. They try to make wise decisions and carefully manage the product through its life cycle.

The other basic risk in farming in addition to this aspect of perishability is the highly fluctuating or uncertain income caused by forces over which farmers such as myself have no

control. Those forces are natural hazards, market cycles and trade distorting influences.

Therefore the risk management tools that farmers basically need are threefold: a crop or livestock insurance program to deal with the natural hazards, an income stabilization program to deal with market cycles and a trade distortion adjustment program to deal with trade distorting influences.

My party, and I was pleased to be involved with that, was able to consult widely across Canada prior to the 1993 election with farmers to develop their thoughts on these matters. We are happy to see that the Liberals who did not campaign on a post–GATT platform begin now to recognize that the old farm safety nets are going to have to change.

It seems rather odd that the Liberal Party, one of the oldest parties in Canada, did not start consulting with farmers earlier. In fact we are finding in this House that the Liberals are doing all their consulting after the election. I am proud to belong to a party that did its consulting before the election. I consider that to be one of the reasons why so many of us were elected. It also gives us great authority to speak on most of the issues that we address in the House, including this bill.

What are some of the concepts that have led to the rules and conditions and definitions of what now have to be internationally accepted farm safety net programs? There has been much talk about improving agriculture policy related to farm safety net support in recent years.

While the GATT talks have brought reform, there is still much to be achieved in practice. The organization known as the OECD, the Organization for Economic Co–operation and Development, consists of Australia, Austria, Canada, the European community, Finland, Japan, New Zealand, Norway, Sweden, Switzerland and the United States.

In the OECD overall support from government budgets and consumers to agriculture production still accounts for well over 40 per cent of the value of that agricultural production. In spite of some progress in tackling domestic farm programs, trade barriers remain stubbornly resistant to liberalization. Many of the alternative measures being put in place, including direct income support to farmers to replace subsidies, are still linked in some way to the production of agricultural commodities.

With respect to rules based trade, the feeling is commonly held by a lot of farmers that lawyers and bureaucrats are going to spend huge amounts of time and money trying to figure out how to beat the GATT rules. We already know, for example, that the EEC has kept its sum total payment policy in exchange for the U.S. keeping its nationalistic farm policy.

In other words, we are going to see a lot of wheeling and dealing and shifting and fudging of numbers in trade and support account columns. I suppose that such is the give and take of international negotiations but unfortunately farmers are the ones who are usually caught in the economic cross–fire.

Currently in the OECD, there are different types of safety nets and support programs for agriculture. First, of the total support that comes from consumers and government budgets to the OECD agriculture, around 71 per cent is transferred by policy measures that raise market prices received by farmers for their produce and are paid by consumers for their food beyond those existing in the world market. These are commonly known as commodity price support systems.

In Canada's case, the supply management system falls within this category. There are a lot of positive things that could be said about supply management but there are certainly a lot of negative things that have to be said about it as well.

One of the great negatives of the supply management system is the interprovincial trade barriers that we have within our own country. It is rather ironic that today we are discussing legislation that breaks down international trade when we are such a poor example to our international trading partners with our domestic policy.

• (1650)

Whatever form our support takes, the real problem for farmers, as my hon. colleague opposite from Malpeque has often stated, is low, real net market income for food. Farmers simply deserve a fair return on their investment. They want to get paid what their product is worth just like anyone else. They do not particularly want to have a lot of subsidies and government support.

I would suggest to hon. members opposite that the way to get more market income is to relax these types of price support policies that restrict the market forces. We need to trust a free and fair marketplace to bring the returns that we all want. I am happy to see that our rules based trading arrangements are addressing these type of subsidies and moving toward their elimination.

Second, only 13 per cent of farm support given is in the form of direct payments to farmers from government budgets. Much of this is transferred to the farming sector by policies that raise prices received by farmers through subsidies based on output or production. Although such subsidies do not directly affect the market prices paid by consumers, most of these measures are production related. They take the form of deficiency payments which are payments that make up the difference between a guaranteed price per unit of commodity and the actual market price. Headage payments are payments paid on the amount per head of cattle or sheep, et cetera.

The third type of support represents 16 per cent of the total and is largely made up of government's budgetary finance measures that are not targeted to specific farmers or commodities but to the agricultural sector as a whole. These include

publicly financed infrastructure, research, inspection, information or education and training.

We must note that the amount of support provided by these three different types of policy measures is very uneven across the OECD countries. Some countries give more weight and emphasis to the support of market prices, others to direct payments and yet others to non–targeted general support. Therein lies the problem of negotiation for rules based and equal treatment trade.

Therein also lies the potential for a harmonized movement away from market distorting programs to a free and fair international marketplace where farmers can make a living providing one of the most important products to humanity, the food we eat.

The pricing support programs and other subsidies I have referred to apparently cost consumers and taxpayers in OECD countries over $350 billion a year in higher food bills and in taxes. These policies distort trade patterns and heighten tensions between countries.

At the OECD ministerial meeting in 1987 their governments therefore committed themselves to reducing total support and to moving away from production and output related subsidies to other policy measures. One of the programs considered by GATT to be green is direct income payment to farmers which comes under the second type of safety net or support that I have referred to, direct payments.

I want to talk about the matter of direct income payments for farmers. We refer to it as an income stabilization program or ISP and that addresses the risk of market cycles. Direct income payments are literally that, explicitly budget financed income transfers made directly to individual farmers. Thus, they are distinct from the other policy mechanisms that transfer income to farmers indirectly either through commodity price supports which raise consumer prices or through lower input costs or through money spent on the farm sector as a whole.

The main advantage of direct income payments is that they can be targeted to the specific farmers whose situations are deemed to warrant such payments. This is in sharp contrast with price supports that are targeted at commodities which thereby give most benefit to the largest producers who may not warrant such support.

A commodity price support system such as our supply management also creates a prohibitive expense in its tool of production, the quota. It restricts farmer entrepreneurship because new entrants can only get in with large capital outlay through means such as large debt or a fortunate inheritance.

As a regulated marketing mechanism it does not transmit the signals of the market back to the producers quickly enough and reduces the innovative abilities of the industry. Therefore, the supply managed system must speed up its adjustment to liberalized trade as it will be in its own best interest. I know some of the members opposite are beginning to agree with this certainty even if they do it with reluctance.

Moreover, support to the income of farmers is more efficient than support to the prices of products. Price supports easily leak into the sectors upstream or downstream from the intended recipients or are wasted in competitive price subsidization between countries illustrating a phenomenon known as transfer inefficiency.

Well targeted direct income payments have a high degree of transfer efficiency because nearly all of the transfer ends up where it is intended, supporting farmers' incomes.

• (1655)

Moreover, in case members opposite are still not convinced of a better way, let me offer another advantage of farmer income support as opposed to commodity price support. Since income supports are financed from national budgets, they are more transparent and can thus be scrutinized more easily than price supports which are hidden in high consumer prices.

In all fairness and objectivity, we must admit that all measures of support including direct income payments will produce distortions to some degree. I am saying that those supports linked to pricing or production of specific commodities are the most distorting. Price supports are guilty, as I have mentioned above.

Production support systems are faulty because they give incentives to over or underproduce certain commodities, thus creating a moral hazard or a situation called farming the system, or they encourage unfriendly environmental practices. All in all it should be obvious that moving away from price and production support and toward income support is the wave of the future. All would be well–advised to get on board.

Direct income payments must satisfy two conditions in order to allow farmers to become more market reliant. First, the amount of payment should be generally fixed to a particular period of time and thus remain immunized from moral hazard. We do not want an income support program that would give an incentive to alter behaviour for monetary gain at the expense of environmental stewardship or fair business practices.

Second, the amount of payment should not be determined by the volume of current or future production of specific commodities or inputs to avoid biasing farmers' choices between specific commodities or those production techniques.

We must also continue to carefully define the objective of each type of direct income payment, whether it is income payment to help farmers adjust to alternative activities, a scheme to establish a minimum income, a measure to encourage environmental activities or a program to stabilize income be-

cause of market cycles. All these appear to be eligible under GATT. The situations for which direct income payments could be made available have to be very carefully specified to ensure there is the least distortion to the use of resources and to avoid back door channels of support to agriculture commodities, which would undermine the current reforms taking place.

How do we decide the amount of direct income payment? Basically there are two ways. First, we can assess the costs incurred by the farmer in undertaking activities for which payments are targeted. The second way is to evaluate income foregone by not undertaking an activity or measured against a predetermined base line such as loss of income due to market cycles compared to a recent income trend.

The duration of direct income payment programs depends on the duration of the problem being addressed. As far as possible, market–based solutions should be encouraged because they are longer term and are likely to emerge as reform evolves.

As I opened my comments I talked about the west being explored and developed because of free traders, because of people who wanted to go out, take some risks and try to make a few dollars. I suspect that as Canada moves into the global economy we can again expect to have some adventures, perhaps in a different situation, perhaps in the high tech civilization and society that we now live. It will be exciting for agriculture as well. There are great opportunities and this Bill C–57 is in a small way opening the door of opportunity.

While this bill will not solve all problems facing world trade, certainly not all of the problems facing agriculture, it is a step in the right direction. Therefore we offer our support for the GATT agreement, for the World Trade Organization Implementation Act and we hope this is one move toward reducing government funding for not only agriculture, but many commodities. It will give an opportunity for the market to sustain our industries, including the agricultural industry, so that not only farmers but all Canadians will enjoy lower taxes, a strong economy, and have a bright outlook on the future.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, the hon. member gave us a nice theoretical review of what would be nice if everybody agreed with the same kind of rules. We are debating though this world trade office which is international. It is not something we can control within the confines of one country.

As an aside I would point out that this country has had provinces ever since its inception and those provinces have certain powers which the hon. member has chosen in his theoretical discussion to ignore. They have control over production within the province which is why the marketing boards operate the way they do.

• (1700)

However my question concerns the international aspects of the bill. I would urge the member to turn his mind to our relations vis–à–vis other countries, particularly as they apply to assistance to agriculture since that was the main theme of his speech.

Since the negotiations began in 1986 I note that all countries made a verbal undertaking to start reducing subsidies and assistance to agriculture. I note that in the OECD countries he mentioned the aid to the agricultural sector has actually increased by 7 per cent in the past year over previous years. The trend is definitely not reducing assistance to farmers in OECD countries, with the exception of Canada which shows a decline of 12 per cent in the last year over the previous year in assistance to agriculture.

We hear a lot of talk about level playing fields. As a former hockey referee, Mr. Speaker, I know you understand the importance of having the two teams relatively well matched in terms of equipment and so on. It seems to me that what we have achieved to date with the verbal agreements is perhaps a field that will be more level than it was. However players on the Canadian team have hardly any equipment and players on the other teams we are competing against are very heavily padded and ready to go with the full support of their fans, their local national governments.

I read the documentation our country put together. I got it under freedom of information because it was not made available otherwise. I find it is the intention of the country under the Liberal government, and apparently supported by the Reform Party and others, to reduce the assistance to agriculture at an even faster pace than we have done to this point in time, even though the other countries are still a long way from catching up and taking off their special protections.

It is to the point that by the end of the decade when the six–year implementation stage comes and we start on the seventh, which is supposed to be the achievement of the new world order, Canada will be paying its agricultural sector $1.5 billion less than the agreement requires. We will be nice and squeaky clean. We will be out there playing hockey in our civvies while everybody else will have the same level of support they have now, with perhaps a few minor reductions.

I am wondering how he could describe that as fair or something he would advocate in terms of our relations with all other countries. How could this approach be something that he would support?

Mr. Hermanson: Mr. Speaker, I appreciate the comments of the hon. member for Mackenzie. I know he has a sincere interest in agriculture and a strong commitment to the industry.

He spoke just in passing about marketing boards and the fact that the provinces have been given some jurisdictional powers in that area. The actual act is a federal act and there have been some real discrepancies as a result of it.

For instance, I wonder if the hon. member for Mackenzie supports the fact that the province of Quebec has a leg up on the rest of Canada as far as the industrial milk quota is concerned. Provinces such as our province of Saskatchewan do not have fair access to the industrial milk market because of the inequities of the interprovincial trade barriers within Canada. It is certainly an area we need to rectify. It is an intolerable situation. It has certainly hurt the agricultural industry in our province.

• (1705)

With regard to his comments about the level playing field and being equipped to play in the game, I share some of the same concerns the hon. member has expressed but I mentioned in my speech that we were comparing apples and oranges.

I want to make very clear probably one of the most dastardly attempts at taking away the equipment we as Canadian producers need to play the game. It was the action undertaken by the minister of agriculture when he agreed to cut the export sales of durum to the United States by half. Certainly I would agree with the hon. member that actions such as that one when we have the trade agreements on our side are unacceptable.

Export sales of Canadian durum to the United States were steadily increasing. In fact they were on an ascending rate, an accelerated rate. Just because Uncle Sam south of the border put a little pressure on the Canadian minister of agriculture he forgot about the rules. He forgot about the equipment. He threw it away.

If we are talking about being out on the ice and playing the game, I do not think our agriculture minister has gone out on the ice yet. If he has he certainly has not gone across his own blue line. Perhaps he needs a penalty for not getting in the game. I do not know, Mr. Speaker, if you have ever called one of those but I think the agriculture minister needs one.

We have the NAFTA. We have the GATT. If we are to voluntarily give up just because somebody puts a little pressure on us when the rules are on our side and the judgments are on our side, it is wrong and a disgrace to Canadian farmers. I would call upon the minister of agriculture—and I am sure the hon. member for Mackenzie would as well—not to strip us of the equipment that helps us to play the game.

I am convinced that Canadian farmers, given a level playing field, will compete with any team. Just as we were able to compete with the Russians back in 1976, I am sure as agriculture producers and free traders we will be able to take on any competitor in the world and play an excellent game. I suspect when the final whistle blows and when the light comes on at the end of the third period we will win if the government does not get in the road and if our minister of agriculture pulls up his socks, grabs a stick and gets in the game.

The Acting Speaker (Mr. Kilger): Just to make sure the House is clear, the member for Regina—Lumsden will speak for approximately 15 minutes and the member for Regina—Qu'Appelle for 5 minutes, which will make a full complement of 20 minutes.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, it is my duty and my pleasure to speak in opposition to Bill C–57, the bill to enact the World Trade Organization legislation.

There are many reasons we oppose the bill as New Democrats. Before getting into the reasons I want to make a comment or observation. When we have a bill that is supported and put forward by the Liberal government of about 250 pages dealing with an agenda the large multinational corporations want to see completed, that is supported by Bloc members in the House and is supported by the Reform Party, it seems to me Canadians should pay particular attention to the implications of the bill. When a bill is supported by the Liberals, the Bloc Quebecois and the Reform Party there has to be something peculiar, mysterious, suspicious and probably disadvantageous to Canadians.

I challenge any member in the House to stand to say they have read the bill because I do not think they have. I do not think they understand the implications of the bill. However I have had occasion to read most of it. I have not read it all, but what I have read is unbelievable with respect to what the bill does to Canadian producers, agriculture producers, steel producers, sugar producers and other manufacturers.

The reason I say that is that the bill does not stand up for Canadians. Members of the New Democratic Party, the member for Winnipeg Transcona, the member for The Battlefords—Meadow Lake, the member for Mackenzie and others, have stood in the House of Commons to say that they have major concerns about the bill. We have heard the concerns in agriculture. We have heard the concerns about child labour and important social equities with respect to Bill C–57.

When I look at a bill I look at certain criteria the bill has to meet in order for me to support it. It has to be fair. It has to be equitable to those it affects. It has to be responsible. The government has to account for its actions with respect to the bill.

• (1710)

In my observations of the bill I can only conclude that if the legislation does not meet the criteria I have set out as being acceptable to Canadians and to the people of Regina—Lumsden whom I represent, it cannot possibly go forward without comprehensive debate and amendment.

As a result the New Democratic Party put forward amendments in the House to address issues of equity, fairness, responsibility and accountability. They were defeated by the government, by members of the Reform Party and by members of the Bloc Quebecois. This is very disconcerting to the people of Canada as well as to our caucus because we tried to inject some fairness.

I want to make a couple of points with respect to the bill. For example, the WTO is a new constitution for the globalized economy written by and for multinationals, the transnationals of the world. The government has rejected a policy of developing a social clause to the WTO that would ensure multinationals recognize basic labour and environmental standards to prevent the race to the bottom.

Even though the WTO supposedly offers a new rules based trading regime that will bring relief from trade harassment, American behaviour under NAFTA rules and evasive measures put into the American implementing legislation make it very unlikely that the Americans will play by the rules.

In my remarks today I want to focus on the American legislation and how it protects American producers and American businessmen. The Canadian legislation we see before the House today does not protect Canadians in the same way.

The biggest claim of WTO advocates is that it will inaugurate a new era of a rules based trading regime with enforceable rules regarding dumping and subsidies. The only problem is that the biggest single player, the United States, clearly has no intention of obeying the rules. We have already seen how under NAFTA rules the harassment of our trade in lumber and wheat has gone on unabated.

The results of the recent congressional elections do not give Canadians much cause for hope that this behaviour will change. More important, the Americans have written into their implementing legislation a long list of provisions that effectively guarantee that no WTO will ever overturn an American federal or state measure. The Americans have given notice that they will treat WTO rules as they have treated NAFTA rules: to ignore if they go against perceived American interests.

We in the New Democratic Party have proposed amendments that would have written into Canadian law exactly the same protection from WTO rulings the Americans have given to themselves. The government with typical gullibility about American goodwill chose to defeat our amendments. That reminds me: it is the same gullibility of the former Conservative Government of Canada. It bent over backward for the Americans and now we see the Liberals who were supposed to be different are not different. They are the same. They did exactly what the Conservative government did in the last Parliament of Canada. Liberal, Tory, same old story, I presume.

In one sense we can look forward to the American sabotage of the new WTO rules in the way that they have sabotaged the NAFTA dispute settlement mechanism. To get these rules we have sacrificed a tremendous amount of sovereignty over investment policy and social security standards. With a rules based system imposed on American protectionism we can begin to rebuild a new constitution for the global economy that represents the interests of the communities.

I share with members an incident that occurred involving myself and other members of the House of Commons last May. We are a member of the steel caucus. The steel caucus is composed of all parties with steel production in their constituencies. I am proud to say I have IPSCO, the Interprovincial Pipe and Steel Company in my district. It employs about 1,100 people. It is a very conscientious and environmentally sound corporation. It produces a significant amount of steel and pipe for the Canadian and American economies and for economies outside North America.

We visited with American congressmen and senators on the issue of steel production. The reason we were there was that Canadian steel producers had been injured by anti-dumping claims of the American steel industry. We went there to talk to the legislators because they have legislation in effect which ignores NAFTA and which ignores the WTO that we have before the House today to protect their own producers.

• (1715)

If they believe, if it is perceived—it does not have to be proven—to injure their own industry, they can use whatever ability they have under the legislation in effect to deflect or stop trading nations from selling that product in their country.

We have asked as a caucus to have this legislation amended to reflect the concerns of Canadian steel producers, our agricultural producers and others, including sugar, so that we are protected in the event that the WTO is injurious to Canadian producers. The government has defeated that. It ignored our requests and we are very concerned that as are the people in these industries.

The Liberal member for Vancouver Quadra gave a historical perspective as to what he thought Franklin Delano Roosevelt intended in his trade negotiations. I want to throw a quote back to the member for Vancouver Quadra from Franklin Delano Roosevelt when he was president: "The true test of progress in society is not whether we add to the abundance of those who have much but whether we provide enough for those who have too little". That is a very important message that was relevant then, relevant now with respect to governments protecting the people in their countries from injurious economic initiatives from other countries regardless of world trade regulations.

They are set up to set some standard and regulations to govern and trade by, to have economic interchange, but in the end the bottom line is that if it is injurious to your country a government is elected by the people for the people to protect the people.

However, if you pass a law that does not provide that protection, you are giving up your obligation and right to govern the people you have been elected to govern. What the heck is going on here? I cannot understand this. I do not think anybody else in the country understands this either.

What we have to do is point out to the Canadian population that Bill C–57 is injurious to the steel producers of Canada. It is injurious to the agricultural producers of Canada. It is injurious to the sugar producers of Canada and that means it must be injurious to much of Canada.

If that is the case, why are they injuring our own people? We have enough competitors out there who are taking advantage of our country and our economy. We do not have to let the walls fall down and let our mechanisms of defence collapse and encourage outside countries to rape and plunder our economy further.

The government is making a serious mistake with respect to passing Bill C–57 unamended. As a matter of fact, we have support from many people. I have a letter here from the sugar refineries. My former deskmate, a Conservative member, the member for Saint John, the former mayor of Saint John, has written to the Minister of Finance, pointing out what impact Bill C–57 will have on the sugar industry.

I can get into that in a few minutes but I want to provide some evidence from the steel producers of Canada. They have made representations to the government, to the Standing Committee on Foreign Affairs and International Trade as late as November 16 and they have indicated that Bill C–57 as proposed is going to be injurious to the steel producers of Canada. They document it in numbers.

They say that because of the anti–dumping situations and charges, they have been victims of the American steel industry. It is costing them millions of dollars. They are saying that this type of anti–dumping initiative is injurious to their exporting and steel production.

We are not dumping steel in the United States. We produce steel here and we sell it directly on a contract basis after winning a tender like any other producer would do in North America. Yet they single us out as being unproductive and as being overly competitive because they feel it is hurting their industry.

The facts show and the truth is that is not the case. The steel producers of Canada want the government to make a couple of amendments on the following points. They suggested and we have put forward this proposal in the House that the Special Import Measures Act should be amended and should provide the Canadian international trade tribunal with some authority with respect to injury on the steel exports in Canada.

• (1720)

Unlike the American implementing legislation, Bill C–57 provides no guidelines as to what would be acceptable evidence. Without guidelines it would be very difficult for a Canadian company to know how to demonstrate a foreseen and imminent threat of injury. American companies will have an easier task under the legislation even though the same principle of the WTO is being implemented.

The U.S. implementing legislation also provides that if dumping diminishes in reaction to the filing of a complaint, the ITC may discount evidence after the filing of its assessment of injury. This makes it easier for an injury charge to stick. There is no comparable provision in C–57.

They go on and talk about a number of other issues. Bill C–57 does not say anything about how the threat of injury should be interpreted at the time of review of an anti–dumping action. The American legislation does provide for these things.

I could go on in detail about what the steel producers feel is injurious. The point is that every time they win a contract, export the steel to the States, even though NAFTA is in existence, even though the WTO is preparing to be in existence, the Americans can say because they have lost the contracts in the open tendering process: "We are not going to let them take this contract because we are going to ask them for more information". If they ask for all sorts of information it costs Canadian steel producers literally millions of dollars to gather this information which then makes their original bid more expensive and unprofitable. It also delays and is more or less a discouraging act on the part of the Americans. They have this in the legislation.

If the Americans harass Canadian steel producers they have their law on their side and the Congress to provide them with that lever. Canadians and the Government of Canada are saying: "We are not going to be like the Americans. We do not want to provide protection to Canadians because we will be just like the Americans then".

Some things the Americans do are pretty smart. That is why they are the most successful business people in the world. That is why they have the most successful economy. They always undertake economic initiatives to the benefit of their country.

New Democrats oppose Bill C–57 on the basis that it is injurious to the economy of Canada.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, in the time remaining I also wish to speak on Bill C–57. I wish to point out that as New Democrats we are not against free trade per se. We are in favour of a genuinely free trade on a level

playing field. NAFTA, the free trade agreement and Bill C–57 do not lend themselves to a level playing field.

The example the Europeans have with the European community is more to our liking as an example of where there is genuine free trade. The Europeans not only recognize that to bring down the customs barriers and allow the freer trade it is not just economics that are involved but also the social, environmental and labour standards.

They have made certain that countries like Spain, Portugal and Greece that have traditionally low social, environmental and labour programs have implemented policies to raise them up so that there is a level playing field. All the industries from Holland, France and Germany do not go down into cheap labour countries such as Spain, Portugal and Greece. In other words, care and attention was given to implementing their free trade agreements. That is basically what we seek as well, a genuine playing field, to raise the bottom up rather than to bring the top down to the bottom.

Canadian workers will suffer and government revenues will suffer. What we are entering into is a global trading pattern in which industries will find and locate where labour is cheapest. They will be able to get the resources at the cheapest possible price and locate their head offices where they pay the least amount of tax. It is smart business. If you were in business that is how you would set up your business arrangements. You would make certain that your natural resources were going to cost the least, that your labour would cost the least and that you would pay the least amount of tax. That is logical.

These agreements are allowing them to escape any social responsibility, any economic responsibility to nation states.

• (1725)

Here we are living in a period in the evolution of the human race when through technological changes we can produce an abundance such as the human race has never seen before. Yet countries like Canada and the United States are declining further and further into poverty, into nations where there are fewer resources and less wealth to share and for their citizens to enjoy.

We are seeing decreases in our standard of living in the midst of plenty. Is it not because of the way our economy is structured? The wealth that is produced is not being distributed. Large corporations are escaping their social responsibilities by locating their head offices offshore, which is allowed under these agreements, and so government revenues are declining. The nation states and the sovereignty and the sovereign power of the nation state are slowly eroding.

That is why I am amazed to see the Bloc supporting this. By supporting this, even if Quebec—I hope it will not, and I suspect it will not—succeeds in establishing itself as a nation, by the time it gets there it will find that the nation will not have any power left at all. It will all have been given away through these trade agreements.

We are talking about, this little corner of this House, the only voice of opposition to this massive change, is how we as a country and how our economy operates and how we regulate ourselves in the sources of revenue and jobs and wealth. What we are objecting to is the unfairness of it, how these trade agreements will benefit the few at the expense of the many, how as a country and as a sovereign nation we will suffer and we will decline.

I implore the government, which paid lip service when it was in opposition and opposed NAFTA and the free trade agreement, which now seems to embrace these agreements, to maintain some social conscience, to demand that this government moves to implement into these free trade agreements social, environmental and labour components; to make certain that there is a genuine level playing field, to make certain that the progressive and historic gains that we have made in this country in our economy, in our wealth, are maintained and protected rather than being drawn down to the lowest common denominator.

I appeal to the genuine Liberals to exert the influence in their caucus and on their government to make certain that the Government of Canada stands up for the workers and the ordinary people of Canada, not to sell them down the river like the previous Tory governments have done.

Mr. Milliken: On a point of order, Mr. Speaker. It is almost 5.30 but I think you might find a disposition on the part of the House to complete the debate on this important piece of legislation this afternoon. I believe you will find that there are two remaining speakers and if each were to be allotted 10 minutes, both being members from this side of the House, without questions or comments, we could conclude the debate at 5.50. At that time I think you would find also there would be consent to have the question put on the bill and the vote called at that stage.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, I am pleased to participate in the debate on Bill C–57, an act to implement the agreement establishing the World Trade Organization.

I would like to reflect today on how important the adoption of this legislation is to the economy of Canada in general and to the economy of my riding of Bramalea—Gore—Malton in particular.

In order for this government to meet its objective of creating jobs and improving the economy of Canada, it must enhance the ability of the nation to export to the rest of the world. The legislation before us will play an essential role in improving Canada's access to the ever–growing international markets. By

creating a more open and stable international trading environment, the agreement establishing the World Trade Organization will generate and increase Canadian exports and investments.

• (1730)

Canadian governments have long recognized the importance of efforts to liberalize trade. Canada ranks among the top trading countries in the world.

Over the past two decades Canadian exports have grown faster than exports from Europe and at about the same pace as U.S. exports. The free trade agreement signed with the U.S. in 1989 has resulted in an annual gain in real income in the range of 2.5 per cent.

Every region and every sector of the Canadian economy has benefited from the liberalization of Canada's trade with its most important trading partner.

A recent study by the C.D. Howe Institute on the effects of the FTA concluded that Canada's exports to the United States over the first three years of the agreement performed the strongest in those sectors that were liberalized by the agreement, particularly non–resources based manufacturing.

Bramalea—Gore—Malton is in a region of the country that depends most significantly on non–resource based manufacturing. Provisions of this bill dealing with agriculture are extremely significant in that for the first time the agriculture sector will be brought under the rules–based multilateral regime.

The significance of these changes will be reflected in my riding in the improvement of market opportunities for processed foods. We must support this legislation to ensure that Canadians will be able to take advantage of improved access to markets.

In the industrial products sector, for example, the Uruguay round agreement provides for reductions in the tariffs by one–third and tariffs in 10 sectors have been eliminated entirely.

In terms of improving trade opportunities, Canadian exports to the European Union will benefit from tariff reductions of almost 60 per cent. Tariffs on Canadian exports to Japan will be reduced by 70 per cent.

These tariff reductions will have a significant impact on companies in Bramalea—Gore—Malton that export to either Europe or the emerging markets of the Pacific rim.

Better access, reduced tariffs and a competitive attitude recognizing the worldwide opportunities presented will be the cornerstone of growth in the future.

This bill is also significant to my riding because for the first time trade in services and trade related intellectual property are brought within the framework of multilateral rules. These rules will provide a stronger basis for the development and transfer of technology.

The agreement promotes continued liberalization of trade in services and intellectual property in an area estimated to be worth some $2 trillion annually. Increased growth in this sector is anticipated and in fact corporations within my riding are well placed to benefit from expanding opportunities in these sectors.

It is significant that the negotiations leading to the establishment of a World Trade Organization benefited greatly from the process of consultation that has taken place.

The business and agricultural communities, as well as the provinces, were closely consulted throughout the course of the negotiations. The fact that prior consultation was designed into this process means that the results reflect the realities of doing business in all regions of the nation.

• (1735)

The legislation before us is extremely important as the World Trade Organization will replace the existing GATT. The World Trade Organization along with the World Bank and the International Monetary Fund will now operate in concert as the foundation of a worldwide financial and commercial structure. The significance of this should not be underestimated as the development of new global trade rules and negotiations aimed at furthering liberalization of trade worldwide will now be provided with a forum.

My support of this bill reflects not only the benefits that will accrue to my riding, but the benefits that Canada as a nation will no doubt enjoy. I urge my fellow members to support Bill C–57 and swiftly move to the establishment of the World Trade Organization.

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I am pleased to take part in today's debate on the third reading of Bill C–57, an act to implement the agreement establishing the World Trade Organization. The main aim of this legislation is to establish the new World Trade Organization which will administer the recently concluded general agreements on tariffs and trade signed by 123 governments in Morocco in April of this year.

This bill will set the stage for a new era in international trade, making Canada a full participant in the most comprehensive trade agreement in history. Bill C–57, the implementation legislation, will modify existing legislation and contains only those changes required to meet Canada's obligations under the international agreement.

Canada and a host of other nations went through seven and one–half years of difficult, often very frustrating, multilateral negotiations with the Uruguay round of GATT. Throughout the negotiations, Canada aggressively pursued an agreement to pave the way for expanded trade and investment worldwide. We certainly did not get everything we wanted, but that is the nature of most negotiated settlements.

I intend to offer my support to this bill, although I must admit my support is tempered by cautious optimism. There are so many unanswered questions associated with what can or should be achieved in this new era of global trade. Until we become familiar with the ways and means of this new trading framework, uncertainty is bound to linger.

The Uruguay round covered 15 different trade areas including services, government procurement and a new set of trade dispute rules. We all know how close we came to not having an agreement at all. Had Canada and other nations not signed this trade deal it is open to question where we would have stood. It is possible that business would have continued as usual, but very unlikely.

Several very serious trade disputes had been piling up between the United States, the European community and Japan and were put on hold pending the outcome of the Uruguay round. As a middle economic power, Canada often found itself in the crossfire between these formidable trading blocks and our interests suffered as a result. To that end Canada was forced, after standing completely alone, to abandon its primary aim, the strengthening and clarification of article XI, and instead was compelled to protect its supply managed products by an initial level of high tariffication rather than quotas.

I should state that as member for Lambton—Middlesex the primary industry in my riding is agriculture. Statistics show that nearly three–quarters of a billion dollars worth of farm products are produced each year in the counties of Lambton and Middlesex. More than one–half billion dollars worth of farm supplies and equipment are purchased.

To say that my constituents are concerned about what lies ahead of them would be an understatement. Frankly, I do not blame them for being concerned as we embark on a brand new era in global trade, where to a certain extent a large degree of blind faith is required. As parliamentarians I believe our main challenge, given the kind of financial straits in which we find ourselves and given the international obligations under which we are now operating, is to search for a proper balance between the rigours and the power of the marketplace and the establishment of a greater degree of fairness to farmers in the farming community. A farming community is worth preserving and I cannot overstate the need to use and develop our talents in doing so.

• (1740)

It would be a serious mistake for Canada to become complacent now that 10 years of trade negotiations, starting with the Canada–U.S. free trade agreement, have finally ended. The globalization of large corporations means there is a whole host of problems around which we have to get our minds.

International trade is no longer among nations but among highly organized transnational corporations which have operations around the world. That means there must be international rules on such things as government regulations, competition laws, industrial standards and even rules governing labour markets. The World Trade Organization represents just a beginning in this process.

For example, members of the House should know that only a handful of companies control the processing of Canada's agricultural products. If we do not address this reality, then I am truly afraid for the future of Canada's farmers. If there is no incentive to farming then our sons and daughters will choose not to carry on. If a country cannot feed itself then it becomes a beggar in the world economy.

There are things we do right in Canada, that are the envy of the world. Internationally Canada has a reputation as a reliable supplier of some of the safest and highest quality, most diversified and unique agri–food products of any country in the world. Canada's agri–food industry accounts for 8 per cent of the GDP, over $15 billion in annual export sales, 40 per cent of Canada's positive balance of trade, two million jobs or 15 per cent of all jobs and $70 billion worth of goods produced each year.

We are told that the World Trade Organization will remedy such things as export enhancement subsidies and unilateral trade sanctions, that it will command sufficient confidence in its impartiality and efficiency, that it will uphold multilateral rules in the face of powerful protectionist interest groups and national governments.

I am gratified that there is a growing consensus in Canada that we have to develop our own strategies in dealing with the new realities that confront us. For example, I am very impressed with the work being done over the last six months by the Standing Committee on Agriculture and Agri–Food.

Since May the committee has embarked on an ambitious study on the future of agriculture in order to evaluate present agri–food objectives and modify them for the year 2000 and beyond. Using the criteria of fairness, sustainability and efficiency, the committee is examining the agri–food sector role in rural life and in the Canadian economy and is involving producers, processors, consumers and other interested parties in developing a long term national strategy for agriculture.

Taken together, these components will constitute an overall farm policy that will take the Canadian agri–food sector into the

next century. It is precisely grassroot efforts like these that will prepare Canadian agriculture for the challenges before us.

I would like to take this opportunity to salute the agriculture committee and its efforts and I have every confidence that it will be successful in its endeavours. Hopefully, the Uruguay round will be the last marathon bargaining session.

I believe there will be a preference instead for more limited and focused negotiations on a variety of sectors and that is as it should be. Canada has in the past invested significantly in agricultural research and has achieved one of the highest international annual growth rates of agricultural production over the past two decades.

Here is a case in point. Canola, developed in Canada by the federal government researchers, grew from a zero dollar per year industry in 1974 to an estimated $9.35 billion per year industry in 1994.

Tragically Canadian investment in growth enhancing measures such as research and market development in the agri–food sector has steadily declined in recent years. We must reverse this trend precisely because we will find ourselves in an even more competitive marketplace under the auspices of the WTO.

Let me say in conclusion that we must develop a strategy for agriculture between the various levels of government and the private sector, including the various farm organizations. This need is even more acute within the highly competitive global marketplace and it involves three inter–related components.

We must remain committed to agriculture and agri–food and other natural resource sectors which are the cornerstone of Canada's economy.

We must strengthen our investment in agri–food research. We must ensure that the farmers of this country who produce $70 billion worth of goods each year get a fair share of the agricultural dollar.

Using these criteria once we have recommitted ourselves to building a solid domestic foundation in Canada's agricultural sector, I truly believe that we will be able to compete with anyone in the world.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45(5)(a), I have been requested by the chief deputy whip to defer the division until a later time. Accordingly, pursuant to Standing Order 45(5)(a), the division on the question now before the House stands deferred until tomorrow at 5.30 p.m. at which time the bells to call in the members will be sounded for not more than 15 minutes.

Ms. Catterall: Mr. Speaker, on a point of order. There is another vote already scheduled tomorrow. I think you would also find the House is disposed by unanimous consent to agree to have that vote at the end of the normal time allotted for government business.

The Acting Speaker (Mr. Kilger): Is it agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): It being 5.45 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*]

MEMBERS OF PARLIAMENT OFFICE INVENTORIES

Mr. John Duncan (North Island—Powell River, Ref.) moved:

That, in the opinion of this House,

1) during an election period but before the date of the election, every Member of Parliament should be required to certify the location and presence of their furnishings, supplies and equipment:

(*a*) in the constituency office, which list should be attested to by the Deputy Returning Officer, and

(*b*) in the House of Commons office, which list should be attested to by House of Commons staff;

2) after an election, the smooth storage and/or transfer of furnishings, supplies and equipment to the new Member of Parliament should be arranged:

(*a*) in the constituency office, by the Deputy Returning Officer and

(*b*) in the House of Commons office, by House of Commons staff;

3) if an outgoing Member of Parliament fails to deliver all furnishings, supplies and equipment, the shortfall value should be deducted from the Member's pay and/or pension, or compensation should be sought and, in extreme cases, criminal charges should be initiated.

He said: Mr. Speaker, it is a pleasure to have the opportunity to debate my private member's motion M–290 which seeks to address the current inadequacies and shortcomings surrounding the turnover of assets and inventory by defeated MPs to their successors.

Currently volume 2 of the member's manual of allowances and services, chapter G–3, is the only reference to the turnover of constituency assets of the House of Commons. The closest and most direct statement referencing the turnover is as follows:

A member who stands for re–election but is not re–elected is required to vacate the constituency office within 30 days of the date of the election. Thus the essential costs of maintaining the office for the 30–day winding up period, (e.g. office supplies, telephone rental, telephone answering service, utility bills, furniture and equipment rental) may be charged against the members' office budget.

This is the only reference to a time line, a 30–day winding up period, and it is not specific as to transfer of assets.

• (1750)

Mr. Speaker, I think it is important to read into the record the text of my motion. However, you have just done that.

I welcome debate, input and suggestions during this allotted hour and following on how to improve the transition for incoming MPs, particularly as this motion directs office inventory and assets.

The public has high expectations of its new MPs after an election. The goodwill component which is now the driving philosophy behind the orderly and timely turnover of assets can and has led to political abuse and interruption of the political and constituency response process.

I know this first hand. I know I am not alone, particularly after the last election which saw over 200 new MPs elected, 200 eager MPs who wanted to get down to business at the constituency level and in Ottawa but were precluded by outright refusal by some losing candidates who procrastinated in turning over government assets or in extreme cases could not be contacted at all or refused to return calls. Such was my case. Ultimately my entire office inventory was not in place until January. If it had been one day later it would have been February, more than three months after election day.

The House of Commons materiel management group could not account for the inventory and was unable to locate the inventory because of its inability to locate the outgoing MP, because it was unaware of two of the four constituency office locations which he utilized, and because the MP had placed assets in storage facilities without notifying materiel management—totally stealthy and irresponsible behaviour on the part of an outgoing MP who refused to show goodwill, inconveniencing not only me but the constituents of North Island—Powell River.

Allow me to elaborate on the saga of my misfortune by quoting from my constituency assistant, my second employee at the constituency: "On my first day of work, December 1, 1993, I walked into an office that was sparsely appointed with borrowed furniture. Not one piece of equipment belonged to the Government of Canada. I brought my own computer from home so that we could reply to correspondence".

My staff frustration grew daily. My staff paid a visit to the office of my predecessor. It was locked and no staff was around. A call to Ottawa to materiel management proved fruitless. It also had no idea where the assets were and was spending considerable effort tracking down the MP without success.

Essentially, the problem could be summed up by the House of Commons materiel management official who stated that there were two MP phone numbers, each with an answering machine referring the caller to the other telephone and no returned phone calls. At this point I purchased a photocopier. I knew that an effective MP had to possess some investigatory skills. This was ridiculous.

Materiel management representatives indicated they were getting nowhere with the former MP and their hands were tied because they lacked power by statute or by decree to do anything. They floated the scenario at this time of trying to access the MP and influence his behaviour through the party constituency association or his party leader.

On December 8, 1993 my constituency office received a call from the House of Commons to say that the furniture and office possessions were located. Delivery was promised to my main office. On December 13 some basic furniture arrived. On December 17 more furniture arrived, but no sign of computers or photocopiers as listed on the inventory list. My office continued to supply the personally owned computer and borrowed a fax machine.

At that point considerable correspondence and filing had accumulated, not a good beginning on response turn around time.

• (1755)

On December 20 the House of Commons called to say it had no idea where the computers were. I decided at that time to purchase two computers from my member's office budget. The former member had four constituency offices, so possessions belonging to the government were scattered. We located some more inventory in storage with over a month owing on their storage because the former MP had paid for two weeks storage and indicated the House of Commons would pick up the remainder of the tab without further instruction and without informing the House. Again, not all the computers were present at this storage site.

Also I quickly found that the fax machine we located was in poor repair, forcing me to purchase a new one. I received further inventory on December 24, 1993. On January 5, 1994, I received delivery of a new fax machine. On the same day I took possession of two new computers, more than two months after the election.

On January 7, I found the inventory from the previous member's Sechelt office, far from complete after reconciling the inventory list. Computers again were missing. Included was a 386 and a lap top. With rent still owing to the storage facility of the Sechelt inventory, I personally paid the amount to solve the operator's frustration with the position he had been placed in.

On January 22, I received information that more inventory had been located in a Campbell River storage facility. The missing computers with the exception of the lap top were in the room. They were of the older 286 variety. On January 31, I did a formal reconciliation, the 286 lap top never did show. In May I was informed that it had been returned to Ottawa damaged and unusable and materiel management informed me that the former MP had been requested to pay and had paid for the lap top.

The sleuthing around by me, my staff and House of Commons staff was bad enough in order to locate government inventory. Because Parliament had not been in session for about seven months previous to the election, there was a large pent up demand for service and reasonable expectations by deserving constituents for attention to their needs.

The fact that I was without assets was a major distraction for me in fulfilling my duties as an MP. The previous member had been in office for 14 years. As a green MP and with the residual effects of a contested campaign still fresh in my memory, I did not want to go public with the inexcusable behaviour of the previous MP because I had taken the high road consistently when others had not and I did not want to appear somehow affected by my win.

The events I have described should not be allowed to reoccur. These assets had been bought and paid for by the taxpayers of Canada and we need better ground rules than currently exist. Materiel management did all it could do at long distance within it mandate. Even with that my staff was instrumental in its sleuthing and finding where some of the inventory was stored. Members can appreciate that my staff could not view the items once located in storage without authorization from the House of Commons. Even this was awkward and so was not done, adding further to our delay in reconciling our inventory.

We would all be much better off with clear lines of authority and responsibility to effect the transfer of assets. In my view the withholding of the entire office inventory was punitive and retributive and I should have had some recourse beyond good will to pursue the matter. I was the last member of Parliament in Canada to receive my assets. I know I was not alone in my grief and frustration and that is why I feel so strongly about my motion.

• (1800)

Similar activities as perpetrated by my predecessor would be tantamount to theft in the private sector. We must untie the hands of the materiel management people of the House of Commons and allow new MPs to do their job effectively. Good will is not enough. Accountability must be introduced. We must put teeth into the rules and procedures for the turnover of assets and initiate ramifications for those who do not prescribe to the rules.

My motion calls for the involvement by the deputy returning officers at the constituency level. They would be charged with the responsibility of reconciling inventory of the former member and co–ordinating the transfer.

In Ottawa the materiel management staff shall ensure storage and/or transfer in an orderly fashion. If the outgoing MP should fail to deliver, the shortfall value would be deducted from that former MP's pay or pension or compensation sought and, in extreme cases, criminal charges should be initiated.

During my trial surrounding this debacle and the senseless behaviour exhibited by the former MP, various strategies emerged including, as I previously mentioned, contacting the former MP's riding association and party leader. The other option was to pursue the issue through the Speaker which was complicated because this was also a time of transition for that office.

In the final analysis, materiel management of the House of Commons has no power to initiate the transfer of assets and in the final analysis again must rely on the good will of the former MP who in this case had none.

My situation may be a dramatic example, but as my colleagues who will speak later will attest, I am not alone. If we do not do something about it now it will get worse. I will tell members why. Currently we are dealing with stable and existing ridings. We all know we are considering the adoption of a bill which would see ridings actually change their boundaries every five to ten years. Therefore, the frequency in which members inherit intact ridings is going to reduce and the frequency when they inherit changed ridings is going to exacerbate the problem. The new MP will not know which former MP or constituency office he or she will be inheriting because the boundaries will have been shifted.

Clearly it is incumbent upon the House to take a look at the current turnover of assets procedure. We cannot have a situation where the legislators of Canada are found incompetent due to a lack of legislative authority governing their own activities in areas so common sense as transferring MP furniture, supplies and equipment. If the House allows this injustice and waste of taxpayers' dollars to continue it is not serving its function.

I would like to submit one further option to make my case. While I have not spoken to the chief electoral officer, it may be that this individual through some amendment or addition to the Elections Act can be empowered by statute to initiate and ensure the turnover of these government assets in an orderly and timely manner.

This is a serious issue and one I would implore the House to deal with even if I had not experienced this frustrating, time consuming delay. As it is now, the House is powerless, materiel management is powerless and sheer good will is not enough.

I thank the House for the opportunity to debate my motion.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to have an opportunity to participate in this debate today because the hon. member's motion is a serious one.

I want to point out that while I think he has raised a subject that is one we ought to discuss, I am not sure the solution he has proposed to the subject, laying criminal charges and getting the returning officers and elections involved, is a particularly helpful set of suggestions.

I would like to deal first with those. Then I will try to say something constructive about what the hon. member has put forward because I know he has done it in all seriousness.

• (1805)

I also want to say that I do not think the experience he had is one that was shared by all members of this House. Most of us when we took over in the House after having been elected—mine of course was not in 1993; it was in 1988, but I took over from a sitting MP at that time—did not find the situation quite as bad as the hon. member has described.

The outgoing members in most cases were very civil in their treatment of the newly elected members in that they handed over the office supplies that were there. I think also the hon. member might have sought greater assistance. It might have been available in a way that perhaps he did not appreciate at the time. He was seeking that assistance having found that most of the equipment apparently had disappeared.

The difficulty that the hon. member's motion indicates in my view are twofold. First, he has suggested that the proper solution for this is to have, I think he says, the deputy returning officer look after this. I assume that he means the returning officer in the constituency and not one of the deputy returning officers in one of the polls.

If he means the returning officer in the constituency, he suggests this person go in and do an inventory as soon as the writ is issued. With all respect, the returning officer in the constituency has to get his own office set up within hours of the writ being issued. He has to hire all his staff to get the election machinery going. The time when that person is at his or her busiest moment is in the few days following the issue of a writ. To suggest that person ought to take time out of that schedule and drop around to the MP's office to have a look at the furniture is patently silly.

If the hon. member thinks about that, he will realize it is not the place of the returning officer in an election to go around and see the MP's office equipment and conduct his own inventory. There are other reasons it is not a good idea that I will elaborate on in a moment.

The second criticism I would make is that I am not sure the hon. member needs to have the deputy returning officer be the person that does it. There are dozens of deputy returning officers appointed in every constituency, one for every poll. In my constituency there are something like 240 polls. In other ridings there are more. Surely we do not have to wait until those people are appointed, which takes some weeks into the election period in the first place, then choose one that will be the person that runs about to the MP's office to inspect the equipment. I do not see that as necessary.

I want to deal with the current arrangements that affect members' office equipment and how they are covered in fact by provisions currently existing in the Member's Manual of Allowances and Services. I am sure the hon. member has read the manual on allowances and services. It is entirely possible that when he got to the pages on materiel management he fell asleep. I have had this experience reading this manual. It is tough going. I do not suggest for a minute that the hon. member is negligent in his duties, but this manual is heavy duty stuff.

In it there are all kinds of things that deal with members' equipment, budgets and so on. If the hon. member turns to section 7(1) of the bylaws—I think the bylaws are at the back or the front of the manual; there is a separate book that has them but they are also in the manual—it says:

> Where an MP contravenes the bylaws of the House and the situation is not resolved to the satisfaction of the Board—

This means the Board of Internal Economy.

> —the Board may order any amount of money required to rectify the situation to be withheld from any budget, allowance or other payment that may be made available to the Member—and

c) —if the Board considers it necessary—the Board may order that any budget, allowance or other payment that may be made available to the Member be frozen for such time and on such other conditions as the Board considers necessary.

In addition to that the board has powers of enforcement using civil remedies. It can sue members of the House who have breached the provisions of the bylaws of the board. I want to make it clear that inventory of members' assets is not something that is done just before election time.

The hon. member will discover there is an annual inventory carried out of the assets that are in his constituency office. My experience has been that the list is sent to my staff and I am asked to verify and sign a document that those items are in my constituency office. If the hon. member has a real problem with the conditions of the assets, that is if they were being destroyed and damaged by an outgoing member, which I heard by rumour may have happened in one instance but I do not know, the member can be asked when the inventory is done to comment in the inventory on the state of the assets over which he has control.

• (1810)

I frankly cannot understand why it would be a particular problem in almost every case for members to review this list of assets on an annual basis and pass their comments to the House officers in charge of this, materiel management, and have those reports made available. As the hon. member knows, they are made available on the election of a new member. This list is given to the new member and the new member is then told he can go to the constituency office and reasonably expect that the items on the list from materiel management will be available to him or her, as the case may be. I am of course referring to the hon. member who opened the debate with his motion in this particular case.

I am not sure that we can do a great deal to prevent former members from making off with assets. It happens in various places around this country. As I have said, I think virtually all members have been quite honestly dealt with in this regard and they have received the things they ought reasonably to have received from the former member.

I know the hon. member for North Island—Powell River has had his problems. I see from the scowls on the faces of hon. members opposite that some of them may have had a shared experience. But that has not been the experience of the vast majority of members in this House.

I think to go on a witch hunt or come in with some draconian rules that are extremely cumbersome, awkward and expensive to administer for the sake of saving a few thousand dollars here and there on missing equipment is hardly worth the trouble that I think the hon. member for North Island—Powell River is suggesting we ought to engage in by this motion.

I sympathize with the plight he described. I recognize that there can be cases of dishonesty and we all deplore that. But the law affords sufficient remedies. Where there has been dishonesty charges can be laid. We do not need a motion in the House to lay charges. That can be done where fraud has been established.

On the basis of the annual review of assets that is conducted by materiel management and officers of this House and are signed for by members of this House when the review is complete, and is done on a regular basis, there is no reason in my view why that list cannot be accurate and up to date when the new member takes over.

If that is the case, it seems to me it is unnecessary for us to get into a lengthy procedural arrangement whereby we have all kinds of people coming into MPs offices and inspecting this equipment day after day. It is a nuisance, it is expensive and unnecessary. I know the hon. member, being a member of the Reform Party, like us is much opposed to government waste.

I suggest that some of the things he has put in his motion would lead to increased government waste.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, I am pleased to speak on this motion and to give the viewpoint of the Official Opposition on the motion of the member for North Island—Powell River.

I want to say right away that we do support this motion. We support it because it involves taxpayers' money and also the proper management of the equipment made available to elected members.

The motion presented by the member for North Island—Powell River refers to sound management, to transfer when an election is held and recovery if any furniture, supplies and equipment for which the member is responsible while in office and which belong to the House disappear. Remember that if it belongs to the House, it belongs to all taxpayers.

• (1815)

This motion reminds us of how difficult it is to draw up a permanent list of property for an institution such as the House of Commons where the political staff changes very regularly, every four or five years.

Although an inventory for all office equipment belonging to the House has existed since 1977, according to information obtained from Materiel Management, more than 90 of the 205 new members elected last fall reported significant discrepancies between the inventory report of what they should have received and what they actually received. It is disturbing that 90 of the 205 newcomers do not have the equipment exactly as it is listed on the inventory. We are entitled to ask questions and the member for North Island—Powell River, who tabled the motion, is right to raise the issue.

As early as April, several Canadian newspapers reported that equipment like video systems, televisions, faxes and furniture had disappeared from the House since the last election in October 1993. For example, *La Presse* for April 13 reported that Commons staff were trying to find television sets, VCRs, computers, cellular telephones, faxes and furniture belonging to the government, on the basis of information obtained directly from Materiel Management. We know that this includes equipment which is not easy to put in one's coat pocket.

Nevertheless, we must not conclude too hastily that theft or fraud is involved, as some people might be inclined to do. According to our information, it is very difficult to prove that former members really intended to steal. As proof, almost all the missing items were recovered, the member will be glad to know, by the staff of Materiel Management and the non–recovered items were charged to the members who were responsible for them.

There are many difficulties in drawing up a reliable inventory of House property and they have nothing to do with the honesty of members. For one, Materiel Management is not always informed promptly of changes to members' inventory during their term and also it is often difficult to transfer property from the riding office of a defeated member to the new member's office, given the rivalry between them.

Also, some items from the riding office, including laptop computers, cellular telephones and video systems, are left in the defeated member's Ottawa office, no doubt in the belief that the newly elected member will occupy the same premises on the Hill, which is not necessarily the case.

The honour system of assigning responsibility for inventory to members has its advantages but also disadvantages, let us admit. The Bloc Quebecois is fully aware of the importance of protecting all property, both in members' riding offices and in their Ottawa offices, since it belongs to the House of Commons and is paid for with taxpayers' money.

With this in mind, we can only support Private Member's Motion 290, which suggests strengthening—do you agree?—the measures for auditing equipment inventories. I do not hear the member say that he agrees. Is something wrong? I was saying that the member's motion suggests strengthening the measures for auditing equipment inventories, furniture and so on, and the responsibilities of every member for this property—and it is important because we manage the taxpayers' money—in order to protect public property. We agree.

Nevertheless, several of the measures suggested in the motion already exist, we must admit. For several years, a physical audit of all the premises occupied by members of Parliament in Ottawa has been done annually.

• (1820)

And an electronic inventory, which uses bar codes, makes it easier to control and protect this property. Until quite recently, always according to Materiel Management, there was a major problem, which has now been identified. It was the issue of furnishings in riding offices.

We have to realize exactly where the problem is, and it seems it is particularly serious in riding offices. In fact, because of a lack of staff, Materiel Management was unable to check its inventories of furnishings in riding offices. I support the hon. member's motion, and I can inform government members that the problem has been identified. The problem was in the ridings, and there was not enough staff to keep track.

Now that there is more staff, there is a more effective relationship based on trust and co–operation between Materiel Management and the riding offices. This is a definite improvement, and we appreciate the efforts of those concerned.

A materiel policy is about to be put in place. It was in fact discussed on the Standing Committee on Procedure and House Affairs. The policy is almost ready to be implemented, and we are talking about the beginning of the next session. We hope it will be put in place by the Committee on Procedure and House Affairs, which discussed and approved the implementation of this policy.

This policy on furnishings basically contains the main elements of the hon. member's motion, Motion 290, which asks us to be efficient, effective and responsible managers, because the furnishings and equipment we have are, in the final instance, provided by the taxpayers.

[*English*]

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is a pleasure to talk to a motion like this since I was one of those people personally involved in some of the bad dealings that happened after the election.

Of course, the hon. member for Kingston and the Islands says these are only isolated cases so why bother. That is not what this is about. This whole issue is about accountability.

I know that some members on the other side may have a problem with that issue. We do not have a problem talking about this in the House of Commons. Accountability is something everybody in this land has to live with, particularly members of the House of Commons.

I wonder if the government members are going to listen to this. After all they do have a majority government. We found out today that the Bloc will support our member's motion, and I am sure the vast majority of colleagues, all of the Reform colleagues, will support it as well.

In talking about accountability and assets belonging to the taxpayer the question is: When it comes to a vote next week on Wednesday or Thursday, how will the government members vote on this issue? Will they find a very small technicality? Will they find as the member for Kingston and the Islands says, that perhaps this is not really as bad as we think? Will they say that since it is not that bad they will vote it down? Or, will they say that perhaps there is an issue of accountability and perhaps therefore they should vote for it? That remains to be seen.

Mr. Milliken: It is not votable.

Mr. White (Fraser Valley West): That is right. There, they half shot my whole argument down. It is not votable, but will they support it?

An hon. member: We will support it, but it is not votable.

Mr. White (Fraser Valley West): There you go.

The question is: Who owns government property? The fact is that the taxpayers own it. Regardless of which incumbent comes into the job, the facts are the equipment is only on loan. Although we purchase it doing our time or we may take some from a member who preceded us, it always belongs to the taxpayer. It is much like leasing property; it has to be given back in some shape or form.

• (1825)

In my case after I was elected I went with my predecessor to look at the inventory in the cold storage. I did not know whether it was the right or wrong inventory but I went through the facility. I said we would ship it out to my new office. It came a couple of weeks later. There was no problem at all. I opened the door to my new office. The fellows on the delivery truck came and I actually sent some of the equipment back. I said: "This stuff is in terrible shape. Take it back and I am going to have to deal with it some other way, but bring in the television and the VCR. They look a little old but bring them in anyway. Bring in the old cellular phone and we will make use of that".

A while later I thought we should check off the inventory. As the member for Kingston and the Islands has said, an inventory sheet is given to us. I checked the VCR off, no problem at all. What bothered me was that the inventory list indicated that these were recent purchases and they were high dollar items. The amounts were in the several thousands of dollars, even for the television and the VCR but I would not have given very much for what I received. The value of those items I received might have been $200 or $300 in total.

I thought that perhaps there was something wrong. Digging into it we did find that yes, all this new equipment was bought but it was not sitting in my office; it was somewhere else.

Mr. Milliken: Shame.

Mr. White (Fraser Valley West): The Liberal member is saying "shame". Yes it is a shame. It is a shame they do not understand what accountability is and what the issue is.

What happened was that the member had purchased the new equipment and kept it at his home and replaced that equipment with old stuff.

Mr. Wappel: Shame.

Mr. White (Fraser Valley West): It took me quite a while to fight this. We finally did get it all back.

The fact is there should be something in place to assure there is accountability.

I understand the concern of these Liberals across here. It is all too often that we hear: "Shame, shame, shame". It is all too often that we hear: "Yes, we should do something about it". It is all too often that we know nothing is done. That is unfortunate.

This is not an isolated case. This has happened time and time again. All we are asking in the House of Commons is that it stop, that something gets in place and we take care of it. That is not too difficult a thing to ask.

It is not about trouble. This issue is not trouble. One member said just recently that the Reform Party was looking for a witchhunt in this motion, again my friend from Kingston and the Islands. I am not sure what the reference was to the witchhunt but again they have to get beyond witchhunts. They have to get beyond all of this lack of credibility in their statements and get on to what the issue is all about.

I tell you what I would not do with the member for Kingston and the Islands. I would never let the hon. member run my store. The way it is described here is: "Well, somebody is walking off with the equipment; somebody is walking off with my inventory but that it is okay. It is only a couple of people, so let us not bother with it". It could be your whole profits going down in the store.

We resolve this situation by taking a motion like this and saying that is the way to deal with it. Let us put it on the books. Let us dig in here and say even one instance like this is unacceptable because where there is one there are others. Indeed we have heard two of them today and there are more in line.

Mr. McClelland: If you can't deal with the little things how can you deal with the big things?

Mr. White (Fraser Valley West): Mr. Speaker, we are having fun in here today because those people over there do not understand what we are talking about.

• (1830)

The motion my colleague put before the House is a solid motion on accountability. It is really unfortunate that members over there do not understand about this stuff. We are trying hard.

Perhaps in the next three years we will teach them how to spell the word accountability, will teach them how to think the word accountability and will even teach them how to act the word accountability because they really do not know what it is about today.

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, although I am not scheduled, I keep hearing the word accountability from the member for Fraser Valley West. I wish it was question and answer period. Last summer I had the pleasure of attending the public accounts committee conference in Charlottetown. The total cost of my ticket was probably $700. I would like to ask the member for Fraser Valley West who flew from Vancouver with his wife—

Mr. White (Fraser Valley West): Who paid her way.

Mr. O'Reilly: —to Charlottetown, then on to New Brunswick and then on to St. John's how much his ticket was. Where was his accountability? Talk about the pork barrel.

Mr. Thompson: It came out of his pocket.

Mr. O'Reilly: I cannot believe this member could stand and talk about accountability.

Mr. White (Fraser Valley West): Mr. Speaker, I rise on a point of order. I would like the record to show that there is a cheque, not in the mail but deposited with the government, for my wife's portion of anything that was personal on that public accounts conference.

By the way I take great exception to the accusation—

The Acting Speaker (Mr. Kilger): Order. Resuming debate with the hon. member for Athabasca.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I am pleased to rise on this issue because I have had the same experience as has been related by the other two members of my caucus. I take real exception to the cavalier attitude that has been expressed across the floor on the whole issue because even if only one member had this experience it is sufficient to warrant close examination and some real change.

Before I was elected I visited the offices of the former member. They were very well appointed offices with good furniture. There were computers in both offices and were very well equipped. After I was elected and the inventory was transferred to my office I was surprised to find that some very meagre furnishings were transferred. My filing cabinets, two of which I received, were locked and appeared to have been rolled down the stairs. When I had a locksmith open them because the keys were not there, the hanging filing rails were not there. It took some time and expense. The computer that was inventoried and I was to receive was not there. Some old obsolete equipment, some home–built computers with no serial numbers and such, replaced the ones I was to receive.

The member across the way says that an inventory is regularly sent out to every member. We are to examine our office equipment and verify with our signatures that the material is there. An inventory dated September 13, 1993 was received, reviewed and I presume signed by the former member. However immediately after the election the same former member came into materiel management and stroked off any number of pieces that he had a number of excuses for not being there. That is only one month and a little after he originally verified the contents.

• (1835)

Even if the rules are there they are certainly not being enforced. In my case it was very obvious. I really could not understand why. Immediately after my election when the material was transferred and all this equipment was missing, I approached materiel management people and talked to them. I sensed a real hesitancy to do anything about it.

I could not get anybody to get excited. They told me: "It is going to take months to straighten this out. You better go out and refurnish your office because you are not going to get this back in time". I had all kinds of excuses.

The member says that if there is fraud, the rules are there. It will be punished. It will be followed up. How can fraud be established if nobody will do an investigation of the whole issue in the first place?

I pursued with great vigour the material that was missing and did eventually receive some of it back from the former member's home in undamaged crates. However when I uncrated them a laser printer, for example, was badly damaged. It cost the taxpayers of Canada some $800 to repair and to put back into working order.

I could go on and on. It made me very angry and overall it ended up costing me personally some $500 in legal costs to defend myself against the former member's legal action for slander. I approached again the House of Commons to provide some assistance and some support in that area and was turned down.

Clearly if the rules are there they are not being enforced. I could not understand it. The longer I am here, the more and more I begin to understand it. It is an attitude around this place.

When I recently entered my building on Wellington Street and inquired of the security person standing there if I might do something—it was something to do with some guests who were arriving—he said: "You can do anything, sir. You are God around here". That is the problem around here. There is not any accountability. That is the attitude that caused the materiel management people to hesitate to investigate the charges I was making.

It is an attitude that has members of the House pass rules and regulations around here that are never enforced. Members can walk through any building on the Hill and, in spite of the fact a rule was passed by this organization that smoking is not allowed in the buildings on the Hill, there is blue smoke wafting out of the offices because we are God around here. I find that unacceptable.

What I did find encouraging, however, from this whole mess and when I was finished was that the person in charge of members' services, Mrs. Edna MacKenzie, when we discussed the whole situation approached me and asked if I might help her to develop some kind of a system—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Kilger): Order. I am having some difficulty hearing the member who has the floor. I wonder if I might ask for the co–operation of members on both sides.

Sometimes the mood of the House can change very quickly. It can be very good humoured one minute, even one second, and be something quite different shortly thereafter.

I just caution us on making sure that we conclude the proceedings today in good humour but in as vigorous a debate as any member may wish. Ultimately we should maintain and respect the decorum of this place and each and every member.

• (1840)

Mr. Chatters: Mr. Speaker, as I was saying, in the process of trying to solve the mystery of the missing office equipment, I had a discussion with the newly appointed head of member services, Mrs. Edna MacKenzie, who asked if I would help and get involved to try and develop changes to the system that might prevent this very thing from happening again. I was pleased to hear that.

This may not be perfect but it is certainly an attempt to address some of those concerns. I see a willingness on this side of the House and I heard a willingness on the part of the staff that runs this organization. I think the only thing missing is a serious willingness on the part of the government to take the initiative and do something to stop that. I think it is an extremely serious matter. I do not care if it was something as little as the lack of a transfer of a flag and pole which every MPs office in Canada has standing in it, which I did not receive.

All the consumable items that I did not get when added together are a considerable amount of money. I think it is very serious and I would hope the government will also take it seriously and that we might do something to remedy this situation so it will not happen again.

Mr. Duncan: Mr. Speaker, in terms of the debate we have heard, I think we are in general agreement on this motion with the exception of some of the debate from across the floor.

I think you will find unanimous consent for the following motion:

> That the question of furnishings, supplies and equipment in the constituency office and in the House of Commons office of every member of Parliament be referred to the Standing Committee on Procedure and House Affairs for consideration.

Mr. Milliken: Mr. Speaker, the member has spoken to me about this and we are certainly happy to have the standing committee undertake a review of this matter.

I hope that hon. members who indicated they had a problem will come to the committee and tell the committee about their problems because the committee will be interested to hear them. If there is something that can be done to rectify the problem, I am sure the committee will make the appropriate recommendations.

Motion agreed to

The Acting Speaker (Mr. Kilger): The time provided for consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1) the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

TAXATION

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, the Auditor General reports that corporations owe $2.9 billion in unpaid taxes to Revenue Canada for 1993.

He also states: "Clearly, reducing deficits through more effective tax collection is preferable to raising taxes. Taxes receivable are an important national asset and leaving them uncollected has a serious impact on the deficit".

The burden on the deficit of unpaid taxes and tax expenditures is overly represented by corporations and large businesses. I raise concern to the fact that $2.9 billion in unpaid tax is owing to this government. The federal government has a responsibility to ensure that money is paid back to the treasury it is due. Corporations owe 32 per cent of the unpaid taxes. Another 12 per cent of unpaid taxes are from employers, that is business, who have not paid their payroll taxes. According to the Auditor General, the vast majority of accounts in arrears are less than one year old.

The federal government must work toward recovering these delinquent accounts. This is only the first step. The government has a responsibility to close the present tax breaks and the tax

loopholes provided to corporations and higher income Canadians. Why is it that a Canadian with an income of $286,000 can reduce their tax rate to less than 10 per cent, while middle and lower income Canadians experience tax rates of close to one–third of their income? The tax system gives corporations and the wealthy big tax breaks and some are still not paying what they owe. This must be corrected.

• (1845)

The government must stand up to tax cheats and close tax loopholes. It must also undertake tax reform during their budget deliberations, not just cut social programs.

Our economy has just been through some difficult times but not all corporations were in financial trouble. Many have turned healthy profits but do not pay their fair share of taxes.

In his reply the Minister of National Revenue stated that companies and individuals are "having a tough time after the recession". This sympathy was not extended to unemployed Canadians who saw their unemployment insurance benefits slashed. Unemployed Canadians were also victims of the recession, yet they did not seem to have the government's sympathy.

The government needs to place a tax on profits so that profitable corporations pay their fair share of taxes at a time when they are able to pay. The Auditor General identifies $37 billion in tax expenditures, of which only $15 billion is RRSP related. The majority of Canadians with RRSPs are average Canadians who are preparing for their retirements and are, in effect, deferring income that will be taxable in the future. The rest of the tax expenditures are corporate write–offs.

Why is the government not looking at ways to increase its revenue by eliminating some of the corporate tax expenditures and putting a cap on RRSP contributions from higher incomes?

The tax system is in desperate need of reform. Corporations are not paying their fair share of taxes. The Liberal government has made it clear that cutting the deficit is a priority, yet it has not taken a serious look at increasing revenue from profitable corporations.

The government has instead chosen to cut back on social programs. It is raising university students' tuitions, cutting money to seniors and cutting UI payments before it even considers making profitable corporations and the wealthy pay their fair share of taxes.

The government also continues to give away money to profitable corporations. As a former businessman I respect the company wanting to make a profit, but why are corporations such as Royal Oak Mines, Rolls–Royce Canada and Bombardier also receiving millions of dollars in grants? The Chamber of Commerce receives $2.1 million.

I am asking the government to get serious with the deficit by collecting the money owed by corporations and to reform the tax system to make it fair.

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, the hon. member for Regina—Lumsden has asked when Revenue Canada is going to start paying more attention to collecting the approximately $3 billion of unpaid corporate tax. He will be happy to hear that we are paying attention and taxes owing are being collected.

I would like to clarify the amount owing by corporations. The hon. member indicated that approximately $3 billion is owed by corporations. In fact, the amount as reported by the Auditor General was $2.1 billion. Another $.8 billion was owed by employers who are not always corporations.

The hon. member should know that at any given time some proportion of taxes assessed by Revenue Canada is outstanding. These taxes are not lost revenue. They represent taxes that have been assessed but not yet collected. In many cases they are owed by honest taxpayers who intend to pay and by businesses who are trying to recover from the recession. They do not represent an untapped source of funds for the government to apply against the deficit.

These are accounts receivable which are already part of the government's fiscal plan. These moneys will be collected with interest, except where there are legitimate reasons to adjust the assessment. Less than 1 per cent of total gross revenues will be uncollectable as a result of insolvencies and bankruptcies.

I would like to add that corporations are not given special privileges. In fact, unlike most taxpayers, large corporations are subject to an accelerated collection procedure. The Income Tax Act prohibits the immediate use of enforced collection measures for most categories of debt for 90 days from the notice of assessment date, with the exception of large corporations who must immediately pay one–half of the amount assessed.

Revenue Canada's enforcement programs are based on a comprehensive strategy to encourage voluntary compliance to maximize the efficient and effective use of our enforcement resources.

All members of the House, including my hon. friend from Regina—Lumsden, will recognize that the results of this strategy are impressive: 95 per cent of taxes owing are paid voluntarily and Revenue Canada's mandate is to preserve the tax base. The department has always been and continues to be absolutely committed to the highest level of compliance possible.

GOVERNMENT APPOINTMENTS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on Thursday of last week I rose to ask the Deputy Prime Minister about two recent appointments to the Senate and

to offer a suggestion about what she, the Prime Minister and the Liberal government might do about the Senate in the future.

• (1850)

My remarks and the focus of my question were prompted by the government appointments earlier in the week of long–time Liberals, Ottawa's Jean–Robert Gauthier and New Brunswick's John Bryden. While I indicated that both may very well be very worthy appointments, I wanted to suggest that there is much more to this issue than the worthiness of the candidates.

Canadians are looking for a change in the Senate itself. Canadians are looking for the government to take the necessary steps to either abolish the Senate or elect its members so that Parliament's second Chamber is accountable to the people of the country and not just to the Prime Minister who made the individual appointments.

As long as the Prime Minister continues to appoint senators, the same old charge of patronage can be made. For Canadians the government of the day is seen to be just like all those who have gone before it. Once again the Prime Minister has seen fit to ignore the calls for Senate reform and instead has done as Mulroney did before him. He appointed his friends and supporters to the upper house.

The Prime Minister is missing a great opportunity to correct years of abuse. Something different must be done as quickly as possible and only the Prime Minister is in a position to act today.

About two years ago I attended a constitutional conference in Calgary at which ordinary individuals as well as experts from across western Canada participated in a discussion about the Senate and the future of democracy. I listened to a lot of debate about an elected Senate and even about proportional representation as the basis for the election, not only of the Senate but of the House of Commons as well.

I say this to indicate that I am already aware that there is a great wealth of knowledge around the country that can be called on by any Prime Minister who really wants to do something to address Canadians' mounting distrust of governments, patronage and the Senate.

The existing appointed and unaccountable Senate must be abolished. I can add that I also support replacing it with an elected Senate which is given more specific responsibilities and is accountable primarily to the regions. I realize that any reform of the Senate as we know it would require a constitutional change, accepted not only by this House and the provinces, but also by members of the Senate. We saw in the Charlottetown accord how difficult this is going to be. Therefore, there must be more than one way to abolish the Senate. I call on the Liberals across the way to take a bold, new initiative.

In addition, Canadians are concerned about the country's mounting deficit and the federal government's desire to cut the deficit by cutting spending. It seems unfortunate the Liberals are telling Canadians that our nation can no longer afford social programs, but we can afford to continue to fill the Senate with political hacks.

Many jobs will be lost in the public service this year because of cutbacks. Many ordinary Canadians will lose their jobs and others will not find jobs because existing ones in the public service will not be filled when they become vacant. The Liberals should do to the Senate what it is doing to the public service. When a vacancy occurs in the Senate, the Prime Minister should resist the political temptation to fill it and instead leave the position vacant. Over time, by attrition, the Senate will slowly abolish itself. It is certainly a better idea than continuing to appoint the party faithful who have no mandate or commitment to reforming the system.

I ask the Liberal government to be bold and reform the Senate through attrition of its members.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, it is interesting to hear the member change his tune on the Senate. I can recall in the last Parliament when the GST was being debated his party moved a motion urging the Senate to defeat the GST bill. He voted for that motion. Unless he was absent that day, I am sure he did. His whole party supported it. It supported the Senate. It abandoned its longstanding policy of abolition of the Senate. Now I hear two of the members from that party squawking and complaining that really is not their policy. I wish the New Democratic Party would make up its mind.

I would like to deal on a more serious note with the issues raised by the hon. member. What he is asking the Prime Minister to do is frankly silly. He is asking the Prime Minister to ignore one of the constituent parts of Parliament. He knows that Parliament is composed of three elements: the Crown, the House and the Senate. He wants the Prime Minister to ignore the Senate and not fill it so the Senate is left as a sort of floating group of people that are there that were there before. Gradually it will diminish and become less effective simply because its members are not appointed any more and there are a whole bunch of vacancies.

Those left are still able to carry out all the functions of the Senate. One of the functions the Senate has is the right to review bills that are passed by this House. Indeed its concurrence is required on all bills passed by the House. The hon. member seems to have conveniently forgotten that. He is asking the Prime Minister to let a Tory rump in the Senate tell the House what it can do with its bills. I do not think any responsible Prime Minister could agree with such a thing.

The Conservative Party in the House of Commons, as he knows, was almost wiped out in the last election. It has but two members who are rarely here because they have other responsibilities apparently to try to rebuild the party. We are left trying

to run the Government of Canada dealing with a Conservative majority in the Senate.

Mr. Solomon: Let us abolish it.

Mr. Milliken: The hon. member says abolish it. He knows perfectly well that requires the unanimous consent of the provinces. He also knows perfectly well that some of the provinces, particularly in his part of Canada, are opposed to abolition of the Senate.

Mr. Solomon: Not Saskatchewan.

Mr. Milliken: I am glad to hear that. I am told that is not the case in Alberta nor is it the case in British Columbia. If one province blocks it that is the end of the initiative.

The Prime Minister made the very wise promise when he was running in the election campaign in 1993 that he would not tinker with the Constitution of Canada. Canadians were sick and tired of constitutional tinkering. It cost us. It has almost broken our country up because of the tinkering of the former Prime Minister and his bumbling in that field. This Prime Minister has promised that he will deliver to Canadians what they want and that is anything but constitutional reform.

We will not get into Senate reform because it requires a constitutional change. To suggest that we should make the Senate a weak link in the parliamentary chain by refusing to fill the vacancies is silly nonsense.

The candidates that were put in the Senate this week are excellent candidates. They have excellent qualifications. The hon. member does a disservice when he refers to them as political hacks.

The former member for Ottawa—Vanier served a distinguished career as a member of a school board. He has been a chiropractor for many years, having received his doctorate in the chiropractic in 1953. He worked as a chiropractor for many years before he was elected to Parliament and did some during the time he was here. He has been an excellent MP and a leader in his community. Surely someone with those qualifications is a worthy appointee to the Senate of Canada.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been moved. Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24.

(The House adjourned at 6.57 p.m.)

HOUSE OF COMMONS

Wednesday, November 30, 1994

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

WORLD AIDS DAY

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, tomorrow is World AIDS Day.

The presence of HIV and AIDS in our communities is a constant reminder of our vulnerability as individuals and as members of the human race. Many members of this House, and far too many Canadians, many of whom live in my riding of Rosedale, will be familiar with the human tragedy associated with living with HIV and of grieving for the loss of friends and loved ones.

The effects of HIV and AIDS are suffered by individuals and families now estimated worldwide at 17 million men, women and children. Measures to reduce the vulnerability of women to HIV/AIDS, the need to strengthen AIDS associations, and the need to address related human rights and ethical issues are now of paramount concern to us all.

These issues, as well as the cure and immunization against AIDS, can only be effectively dealt with by co–ordinated, intensive, national and international efforts which Canada must not only support but lead.

Therefore we should all welcome the Prime Minister's attendance at the Paris summit on AIDS.

* * *

[*Translation*]

PEARSON AIRPORT

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, hon. members are familiar with the scandal around the attempt to privatize Pearson Airport. However, despite a long debate on Bill C–22, the government has refused to reveal all the information on this patronage horror story.

Today we heard that the Pearson Development Corporation is asking for compensation totalling $440 million. The consortium's demands include two million dollars for lobbying expenses, contributions to the Conservative Party in 1993 and baseball tickets for the Blue Jays.

To eliminate any possibility that the consortium's outrageous demands would be successful before the courts and to avoid any recurrence of such events, the Prime Minister must realize he has a responsibility to provide all the information available on the Pearson affair and to appoint a royal commission of inquiry that will consider all the ramifications.

* * *

[*English*]

GUN CONTROL

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I would like to read a few sentences from a speech given by Mrs. Deborah L. Ure whose 19–year old son Wes and his friend Santo were shot and killed in 1992:

> Wes and Santo are dead. It doesn't matter to me that they were killed by a gunshot wound. They could just as easily have been stabbed, beaten or mutilated. The end result is the same. Our children are dead. The gun didn't kill them. Two poor excuses for human beings did. Now, when these men came into possession of this gun, the murder weapon, did they have an FAC? Did they register it? Did they store it safely? Of course not. Criminals or wanna–be criminals don't respect our country's gun laws. Safe storage to them is having the gun stuck down the back of their pants or inside a boot until they need to use it. This is the problem that our justice minister should be addressing. We need criminal control, not gun control.

In response to the pleas of this mother of a murdered teenager, Reform does not support the registration of rifles and shotguns unless it can be shown to be an effective control for reducing the criminal—

* * *

[*Translation*]

BLOC QUEBECOIS

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, this House recently witnessed a scene that was more like theatre than parliamentary debate.

The hon. member for Rimouski—Témiscouata protested against a statement made by the Minister of Canadian Heritage, in which he indirectly associated the House of Commons with theatre.

The member of the Bloc said that the minister's comments "cast discredit on an institution such as Parliament, implying that what goes on in this place has more to do with play acting than real life".

Would the hon. member feel more comfortable with what was said by her own colleague, the Leader of the Bloc Quebecois? In an article in the *Journal de Montréal*, he stated: "We consider both the question and the tone we want to use. Sometimes, all we want to do is get the information. Occasionally, the question is intended to embarrass the minister".

Quebecers and Canadians expect Bloc Quebecois members to take their parliamentary responsibilities more seriously.

* * *

[*English*]

CHRISTMAS MIRACLE PROGRAM

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, as the holiday season approaches, we see many acts of caring and sharing by thousands of Canadian organizations and individuals.

This past Sunday, the Woodstock and Florenceville, New Brunswick, Kinsmen and Kinette Clubs hosted their 18th annual Christmas Miracle Program displaying an abundance of excellent local talent and raising thousands of dollars to assist those in need. Having had the opportunity to personally take part again this year, I was pleased to see the pledges of sharing and caring that are prevalent among Canadians.

Congratulations to the Woodstock and Florenceville Kinsmen and Kinettes for their worthy efforts to help others. Congratulations to all Canadian clubs, organizations and individuals who volunteer their time and talent in order to assist others during this season. They truly represent the holiday spirit and make us all proud to be Canadians.

* * *

• (1405)

FORUM 94

Ms. Albina Guarnieri (Mississauga East, Lib.): Mr. Speaker, last Friday, November 25, I had the privilege to participate in Forum 94 in Charlottetown, P.E.I.

[*Translation*]

This conference was an affirmation of the important place official language communities should have within Canada. Forum 94 has demonstrated that provincial governments can play a vital role in promoting official languages in Canada.

[*English*]

The Acadian community and the Government of Prince Edward Island have shown leadership at a time when the birthplace of Confederation is contributing more than ever to our sense of national identity.

[*Translation*]

Participants were able to prove that the vision of a united Canada that respects regional, linguistic and cultural differences is still firmly rooted in the birthplace of our nation.

* * *

CHILD POVERTY

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, five years ago, this House took the solemn undertaking to fight against and eradicate child poverty by the year 2000. Since then, the number of children living in poverty has grown from a little under one million to nearly 1.3 million.

In its most recent report, the Canadian Council on Social Development criticized the reform the Minister of Human Resources Development is conducting. The Council considers that the minister's reform plan may well make child poverty worse because of cuts in assistance programs for poor families. Single–parent families, in which 41 per cent of poor children in Canada live, would be particularly hard hit by this reform.

The council has now joined the ranks of those who, like the Bloc Quebecois, object to any reform that cuts blindly into social programs. In his inaugural speech yesterday, the new Premier of Quebec expressed concern for the difficulties facing women and youth in particular, and we hope that the actions he will undertake will be aimed directly at fighting poverty.

* * *

[*English*]

REFUGEE DETERMINATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the current turmoil at the IRB is only a symptom of a greater disease. Members of the IRB have approached me saying that there is no cure for the lack of accountability in that institution. They have told me that the IRB was a gross overreaction to a court decision and should be scrapped.

Our current refugee system is out of touch with internationally accepted norms of refugee determination. It costs a horrendous amount of money and is ignoring the desperate needs of tens of thousands of genuine refugees overseas.

It is time to rethink our refugee determination system and the Reform Party has. Very soon we will be releasing our proposals for change to the system, changes that are going to be in the

interests of not only refugees but of taxpayers as well. Our proposals will balance the needs of refugees against the needs of Canadians.

We have the guts to restore a little common sense to the system. Once again the Reform Party leads the way. We will be setting the agenda in refugee determination the way that we have set the agenda in immigration policy.

* * *

GASOLINE PRICES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, last spring gas prices jumped seven cents per litre across Canada without justification. Only after I publicly called for the government to investigate this industry for price fixing and gouging did gas prices drop about three cents per litre. Public protest followed and it dropped one or two cents more per litre around the country leaving a two or three cent a litre increase intact.

The Bureau of Competition Policy today said it does not see price fixing. This is a bizarre conclusion with unanswered questions. Why this conclusion? Could it be because the oil companies and the Liberal government are in bed together?

For example, the Liberal Party received political donations from Husky Oil of $14,000, from Amoco Oil of $27,000, and from Imperial Oil of $47,000 last year alone. He who pays the piper calls the tune. As far as Canadian consumers are concerned the Bureau of Competition Policy and the Liberal government are more like lapdogs than watchdogs when it comes to gas price fixing.

The oil companies' donations in this case to the Liberal Party are paying off.

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CROHN'S AND COLITIS MONTH

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I wish to inform the House that November has been designated Crohn's and Colitis Month.

Crohn's disease and ulcerative colitis are chronic digestive disorders of the small and large intestines. Often referred to as inflammatory bowel disease their cause is unknown although stress can precipitate attacks. There is currently no cure, however specific diets may control the symptoms. Crohn's disease and colitis may affect as many as 200,000 Canadians of all ages.

The Crohn's and Colitis Foundation of Canada is a non-profit voluntary medical research foundation dedicated to the finding of a cure for this disease by raising funds for medical research. The foundation with the financial support of Health Canada also provides education programs for individuals with this disease as well as for their families, health professionals and the general public.

• (1410)

To the foundation and its many volunteers we extend our best wishes and hope for future success.

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BOSANQUET

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, it gives me a great deal of pleasure today to congratulate the residents and the council of the township of Bosanquet in my riding of Lambton—Middlesex.

On December 1, 1994 by order of the Ontario Municipal Board the township of Bosanquet will be elevated to the town of Bosanquet and its new town council will be sworn in.

The province of Ontario's newest town has a very storied history commencing in 1821 with a 390 acre land grant to its first settler, Mr. Asa Townsend. In 1850 electors met to elect the township's first council. One of the first motions passed by the council was the proviso that there was no qualification necessary with respect to property for the several officers appointed at that meeting.

It is not hard to deduce that the first councillors of the township of Bosanquet displayed the highest democratic principle. Their spirit lives on with the current mayor, Mr. Fred Thomas, and the town's six councillors.

My heartiest congratulations to the town of Bosanquet.

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[*Translation*]

GOVERNMENT OF QUEBEC

Mrs. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, the linguistic and cultural communities of Quebec are worried. In recent weeks, statements by certain Quebec government ministers and their officials have been increasing and have given rise to speculation and suspicion.

We were apprised yesterday of what Yves Michaud, Quebec chargé de mission in Paris, had written his boss and friend, Deputy Prime Minister Bernard Landry. Referring to an article, he said it was refreshing compared to the claims of cultural communities, adding that we will have to do away with such nonsense reminiscent of Trudeau, cooked up to make us disappear in a sea of Canadian multiculturalism.

Louise Beaudoin, Quebec minister responsible for Canadian Affairs, was quoted as saying: "Why could I not live in my country as I wish, instead of as English Canadians want me to? They are the ones who want a multicultural society, not me".

This attitude of distrust toward ethno–cultural communities goes against every aspect of our international reputation for hospitality, openness and tolerance.

The Parti Quebecois government must quickly put an end to—

The Speaker: I am sorry to interrupt the hon. member. The hon. member for Beauharnois—Salaberry has the floor.

* * *

GOVERNMENT OF QUEBEC

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, yesterday, Quebec Premier Jacques Parizeau delivered his first inaugural address.

Calling upon Quebecers' solidarity, the Premier launched a major campaign to fight unemployment, revive the economy and start thinking about our collective future.

Painting a positive picture of his government's first few weeks in office, Mr. Parizeau outlined encouraging prospects for Quebecers in the future.

Things will not happen overnight, of course, but Quebec now has a real government with projects, resources and an ideal.

After several gloomy years, Quebecers are urged to take charge of their lives, make choices and adopt a real plan for their society.

* * *

[*English*]

MULTICULTURALISM

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, this government and the Secretary of State for Multiculturalism continue to deny Canadians their fundamental right to choose, to choose for themselves how to protect and promote their heritage and culture.

I will continue to ask questions that challenge the way we spend our money while at the same time encouraging ethnocultural communities to fully participate in Canadian life adding to it their unique diversities.

We in the Reform Party reject a big brother, paternalistic approach to cultural imperialism that the minister continues to preach. Instead we believe we should provide jobs for Canadians. We should tax them less. We should allow them the freedom to develop and pay for those cultural programs that interest them.

This government should realize the importance of empowering ethnocultural communities to be themselves. Then truly it will have abandoned its culturally imperialistic and arrogant multiculturalism policies.

ORGANIZATION FOR ECONOMIC CO–OPERATION AND DEVELOPMENT

Mr. John English (Kitchener, Lib.): Mr. Speaker, I rise today to welcome the decision by the Organization for Economic Co–operation and Development to appoint Donald Johnston as the secretary general.

Mr. Johnston's five year appointment will represent the first time in the OECD's history in which a non–European has been chosen to lead this major policy forum for the world's industrialized countries. Candidates from around the world were vying for this position and yet in the end it was a Canadian who was chosen.

It should come as no surprise that this longstanding member of Parliament, former cabinet minister, Montrealer and resident of Quebec should be chosen as the new leader of the OECD. He is a highly respected lawyer with a strong background in economic issues. Mr. Johnston will bring to the organization a wealth of experience with a truly Canadian perspective.

By tradition the OECD leadership is a consensus decision. Given the outcome of this announcement—

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• (1415)

[*Translation*]

BLOC QUEBECOIS

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, I rise today to warn the House and the Board of Internal Economy that some members of the Bloc Quebecois shamelessly use their privilege as members of the House of Commons by promoting Quebec's independence in their Christmas cards.

In addition to being in poor taste, this practice probably goes against parliamentary rules. Using taxpayers' money and the great Christmas holiday for political purposes is reprehensible and shameful.

Will Bloc members reimburse the Canadian government for these immoral expenditures? Will Bloc members include these expenditures in the "yes" campaign in order not to contravene Quebec's referendum act?

I therefore ask you, Mr. Speaker, to investigate and condemn this outrageous practice.

An hon. member: Come on.

An hon. member: You exaggerate.

The Speaker: It is Wednesday, what do you expect?

ORAL QUESTION PERIOD

[*Translation*]

MIL DAVIE SHIPYARD

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday in this House, the Prime Minister agreed with the verdict of the Canada–Newfoundland board which denounced awarding a contract without tender to Saint John Shipbuilding. The Prime Minister instructed the Minister of Natural Resources to require the Hibernia consortium to review its decision that was unfair to MIL Davie, the only bidder able to carry out this contract which had been awarded to Saint John.

How can the minister explain the government's decision to hold another call for tenders on this contract, when MIL Davie was the only other shipyard that bid on it?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me clarify that which the Prime Minister and I said yesterday.

In light of the Canada–Newfoundland offshore board decision which indicated all Canadian shipbuilding companies were not given a full and fair opportunity to bid or tender for the contract in question, we have asked through the president of the Hibernia Management Corporation that the owners review their decision.

I understand from Mr. Hull, the president, that he will be in contact with the other owners and seek that review. Pending the outcome of that review, I think it would be unfair or inappropriate for me to anticipate the outcome.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since everyone admits that MIL Davie was wronged in this affair, why does the minister stubbornly refuse to recognize that the only way to correct the injustice done to the Quebec shipyard is to award it automatically and without delay this contract which it should have had from the beginning?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me reiterate the position of the Prime Minister and myself. What we are concerned about in this situation is the process that was used by the Hibernia Management Corporation. It is clear based on the report of the offshore board that all Canadian companies were not treated fairly. We have asked the management board of Hibernia to review that decision. Our concern is with the process. We have never commented on the ability or lack thereof of any shipyard in this country to do the job in question. We are concerned that everyone get the opportunity to be treated fairly.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we see how complicated and difficult it is to obtain justice when a Quebec company like MIL Davie is involved. Does the minister realize that by reopening the bidding, she is leaving MIL Davie vulnerable to its competitors since they will probably have access to the documents from the first bid and find out about their contents? Does she realize that?

• (1420)

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, I simply reiterate the concern of this government. It is with the process that was followed. We are committed to ensuring that all Canadian shipbuilders have a fair and full opportunity to bid on contracts.

I think, for whatever reason, my learned friend across the way is having some difficulty comprehending the fact that our concern is always with fairness.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, my question is for the Minister of Natural Resources. If someone has problems in this House, that person is on the other side.

The MIL Davie shipyard, in Quebec, is on the verge of closure. The company needs new contracts to ensure its survival. If the Hibernia contract for a sub-module of electric equipment was transferred to MIL Davie, the company could immediately recall 400 of its recently laid off workers. It is still time to act, since the component housing the modules has not yet left Marystown, in Newfoundland.

How can the minister explain that, with over six billion dollars of economic spin-offs related to the Hibernia megaproject, the MIL Davie shipyard, the only one in Canada with the expertise to build drilling platforms, has so far been awarded only one contract representing a mere $15 million?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me reiterate that this government does not wish nor is it in any position to comment upon the relative merits of one shipyard over another in relation to this contract. What we are in a position to comment upon is fairness and full opportunity on the part of all shipbuilders to participate in this contract. That is what we will ensure.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, let us not forget that Quebecers invested $800 million of their tax dollars in Hibernia, only to see MIL Davie get a small $15-million contract. In the meantime, the Sorel-Tracy shipyard and the Montreal shipyard were closed and every attempt is being made to also close the one in Lévis, while

shipyards in Newfoundland and New Brunswick are being subsidized and contracts are awarded without any tender to Saint John Shipbuilding. Is this all part of a scheme to kill MIL Davie? How can the government be proud of such an attitude?

How can the minister abdicate her responsibility regarding management of Hibernia by always telling us the same old story and hiding behind the private partners of the consortium, when the federal government guarantees close to 50 per cent of the funds for this megaproject, or some $30 billion?

[*English*]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me inform my hon. friends across the way that the Hibernia project has been of considerable benefit to the province of Quebec over the years that it has been in operation and will continue to be in the future. Over half a billion dollars worth of contracts for over 100 Quebec companies.

They do not want to listen, but let me assure my hon. friends that this government has no desire to hurt MIL Davie or any shipyard in this country. What we want to ensure is that every shipyard has the opportunity to be treated fairly.

* * *

GUN CONTROL

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, over the past year we have repeatedly seen the government float proposals and legislative intentions without having the faintest idea of what the cost or the value received would be.

• (1425)

This is evident in the human resources minister's policy paper. It has been evident in defence department commitments to peacekeeping and other areas. Today the Minister of Justice is once again putting forward legislative and policy proposals, this time for firearms control.

Can the minister assure the House that comprehensive cost estimates for the firearms control program exist and will be tabled prior to the introduction of his new gun control legislation?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will be announcing this afternoon particulars of the decisions we have made in relation to the firearms control program.

I can assure the hon. leader of the third party that we have looked in detail at the costing of all the proposals we will put before the House.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, like the social policy reform, any proposed firearm control program cannot hope to succeed without the enthusiastic support of the provinces.

The attorneys general of Saskatchewan, Alberta and Manitoba have already implied that the minister's draft proposals for a national firearm registration system are more likely to increase paperwork than they are to increase public safety.

Can the minister tell the House which provincial governments are supportive of the minister's legislative intentions in this area and which are not?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the announcement of our decisions will take place this afternoon.

As a matter of courtesy I have furnished copies to my provincial counterparts. In answer to the question put by the hon. member, let me express my own belief that when all the provincial attorneys general look at these proposals and decisions in their entirety, they will support these initiatives.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, time will tell.

With respect to consultation, first the justice department leaks its gun control proposals to the media with appropriate spin doctoring. Then it breeds the support of the interest groups and only then, five days later, does Parliament get to see the documents and the provinces are included almost as an afterthought.

The government puts public relations and interest groups ahead of Parliament every time. It has done this on social policy. It has done it on immigration, on finance and gun control.

Does this order of preference, media leaks first, interest groups second, Parliament third and provinces dead last, reflect the government's consultative priority?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, first, I make no apologies for the four months of personal consultation that I conducted across the country.

During the course of the last several months, I have been in continuous touch with senior officials and indeed with provincial counterparts, attorneys general and ministers of justice, exchanging views about the proposals that will be decided upon and announced this afternoon.

May I make it clear that any leaks to the media were entirely beyond the control of the Department of Justice. What steps we took were as a matter of courtesy to furnish representatives of the hon. member's party and of the official opposition with advance copies of the material so that they could see it before this afternoon.

[*Translation*]

FERRIES

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is directed to the Minister of Transport.

We heard the news that MIL Davie was treated unfairly by the Hibernia consortium in the matter of a contract that would have maintained several hundred jobs at the Lévis shipyard and, meanwhile, the federal government has yet to announce what it intends to do about the proposal by the Government of Quebec for the construction of a ferry for the Magdalen Islands.

When is the minister going to respond to the proposal made by the Government of Quebec on November 14, and how can he justify his government's slow response?

• (1430)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, Transport Canada is responsible for providing a safe and efficient service between the Magdalen Islands and Prince Edward Island, and we will do everything we can to ensure that the people of the Magdalen Islands have this service.

However, I want to point out to the hon. member that we have asked the operator who is now responsible for providing the service with the *Lucy Maud Montgomery* to advise us of his requirements, and then Transport Canada will award him a subsidy.

Acquiring, leasing or building a ship is the sole responsibility of the service operator, not of the Government of Canada.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, when we started our first session a year ago, I asked the same question and today, the answer is still the same.

Considering how the government deals with matters that concern MIL Davie, how can the minister expect us to believe that the government is not making a concerted and deliberate attempt to close down MIL Davie?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, we have made some progress in trying to determine exactly what is required to provide the service between Iles de la Madeleine and Prince Edward Island.

I want to say to my hon. colleague that we have made significant progress in this place since yesterday. One of the things that has been cleared up, I hope to the satisfaction of every one, particularly my friends who are concerned about the future of MIL Davie, is that in the future whenever the Government of Canada is concerned there will be no question of sole sourcing ships. Any process for acquisition will be through a clear, transparent and competitive bidding process.

* * *

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the Terence Wade report commissioned by the Department of Justice reveals that the handgun registration system is replete with confusion, inconsistencies, non–compliance and mismanagement. Most important, the report reveals how completely useless the handgun registration system has been as an aid to law enforcement agencies and in reducing the criminal use of handguns.

I ask the Minister of Justice why this report, which was available in July, was not tabled with the standing committee on justice, why it was not tabled in the House, and why I was denied access to the report by his officials when I requested it three weeks ago.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will get answers to those questions and I will put them in writing to my hon. friend. As I told him yesterday, he should have a copy of that report and I shall see to it that he does have one.

Let me make clear, before we lose the point the Terence Wade report made, that the manner in which the registration system for handguns was organized during the past two decades was flawed and needed improvement. It did not condemn the principle of registration nor the purpose of registration.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, right now there are firearm interest groups locked up pending the announcement of the Minister of Justice regarding gun control later today.

The minister has expounded upon his virtuous cross–country consultation process this summer. While in consultation with these various groups did the minister inform them of the findings contained within the Terence Wade report, or was the report concealed from them as well?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in the course of those dozens of meetings I had across the country I took it as a given that the registration system in place at present in the country for handguns will not serve as a model for any future registration system. It is indeed flawed, without argument.

The point of the discussion in those consultations was how such an approach could be effected to serve the very important social goals that registration can and will achieve.

[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

On the issue of the Collège militaire royal de Saint–Jean, the Quebec government is prepared to discuss with the federal government how the transition plan proposed by the mayor of Saint–Jean should be implemented. In Quebec's view, this is an interesting proposal, as it could ensure the survival of the college the long term.

Now that he has finally seen reason, or so it seems, can the minister who welcomed with interest this proposal by the mayor of Saint–Jean tell us if he intends to assign federal officials to resume talks with the Saint–Jean authorities and the government of Quebec?

• (1435)

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, Minister Beaudoin should know that negotiations are not conducted through the media. I have received nothing official from the minister yet. I therefore have no answer to give, since no question has been asked in the first place.

It is essential however that any negotiations regarding the mayor's proposal be conducted on the basis of the two conditions the mayor and myself have agreed upon, that is to say, first, that the conversion of the military college to civilian use must take place and, second, that there must be a transition period. These two basic principles are part and parcel of the agreement proposed on July 19, which the government of Quebec has yet to comply with.

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, we are not negotiating through the media. I have put a question to the minister and I would like to get an answer.

How can this minister have the gall to parade about with the "Sauvons Saint–Jean" badge on his lapel when, once again, he is showing bad faith in refusing to resume talks?

The Speaker: Members must refrain from assigning to other members motives that are not honourable. Perhaps the hon. member could rephrase his question.

Mr. Bachand: Mr. Speaker, does the minister intend to resume talks, yes or no?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the opposition may be under the impression that using unparliamentary language will improve the negotiation climate, but that, of course, is wrong.

The reason I am wearing the "Sauvons Saint–Jean" badge is because we hold the key to the continuation of the college in Saint–Jean and this key is the July 19 agreement. I sent a letter to Mrs. Beaudoin two weeks ago, indicating that I was prepared to resume negotiations on the details of the agreement which is in effect under the terms of the agreement signed on July 19.

* * *

[*English*]

BOSNIA

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, my question is for the Minister of National Defence.

Secretary–General Boutros Boutros–Ghali's mission to Sarajevo today has failed. The Bosnian Serbs refused to meet with him and the Bosnian government refused to agree to a ceasefire.

Should Canada not now take the position that unless all UN detainees are immediately released, there be no further aggression against UN personnel, the Sarajevo airport be reopened to humanitarian flights and convoys allowed to proceed and an effective ceasefire be put in place, Canada should call for the withdrawal of all UN forces from Bosnia?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Prime Minister has been quite clear on Canada's participation in this very troubled mission and I do not propose to repeat it.

I subscribe to some of the points raised by the hon. member. We in Canada believe that obviously those detained should be released, that the hostilities should cease, that there should be a ceasefire, and that the Sarajevo airport should be reopened. We believe all of that and we believe that can be accomplished by negotiation.

We are very sorry that the Secretary–General of the UN was denied a meeting today. I would only hope that this is yet another bargaining ploy on the part of those who refused to meet with him and that they will get down to meaningful negotiations within the next few days.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I have a supplementary question.

The situation in Bosnia is increasingly hazardous and is causing great concern to all Canadians. All possible attempts should be pursued in attempting to find a resolution.

The contact group, Britain, France, Germany, Russia and the U.S., was formed last April to use diplomacy to minimize tensions and to encourage agreements among the warring factions. Why is Canada not a member of that contact group?

• (1440)

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, if I could answer that I would certainly be a wise person.

The Minister of Foreign Affairs and the Prime Minister have made the point that Canada should have been part of that group. We are among the top contributors of forces in the ex–Yugoslavia. It is a shame and a disgrace that we are not part of that group. I hope the Prime Minister makes that point this weekend in Budapest.

* * *

[*Translation*]

REPRODUCTIVE TECHNOLOGIES

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, my question is for the Minister of Justice. On November 30, 1993, exactly a year ago today, the Royal Commission on New Reproductive Technologies published its final report after studying the issue for four years and spending over $28 million. We are still waiting patiently for the federal government to respond to the commission's recommendations.

How can the Minister of Justice explain that, one year after the Baird report was tabled, he still has not introduced a bill to regulate reproductive technologies, research on human embryos as well as the sale of ova and human foetal tissue in Canada?

[*English*]

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, the Minister of Health and the Ministry of Health have been working on the response to the royal commission for quite a while.

As the hon. member knows, the royal commission created far more controversy than it answered questions. We need to look at how we can deal with provinces and with special groups, to look at how we can set guidelines for recommendations and to follow the recommendations.

However, as far as taking our time, I bring to the hon. member's attention the fact that the royal commission was supposed to have reported in two years. It took four years to bring in its report.

Because the matter is so controversial I think it is quite acceptable that we have to deal with the same controversies in formulating our response.

[*Translation*]

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, I think that blaming the government's delay in introducing a bill on the commission's own two–year delay in tabling its report is a pretty poor excuse. Is the minister aware that by delaying the introduction of his bill, he makes it even more difficult, if not impossible, to counter abuses in research on human embryos and to prevent the sale of ova and foetal tissue on the black market?

[*English*]

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I am glad the hon. member mentioned the fact that we must counter abuses. We are dealing with an extremely serious and extremely difficult and complicated issue.

This department and the Minister of Health want to ensure that we make the right choices that will ensure the safety of Canadians and will ensure that all medical, ethical, social and psychological issues are dealt with.

* * *

UNEMPLOYMENT INSURANCE

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development.

In northwestern Ontario companies frequently lay off employees due to seasonal and climatic factors. Through no fault of their own affected employees end up having to claim unemployment insurance frequently.

What is being done to ensure that this type of unemployment insurance claimant is not unfairly affected by the proposed UI reforms?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member knows, we are particularly sensitive to the importance of a wide variety of seasonal and cyclical work in the country. It is important for a variety of regions.

As the House probably knows, for that reason we established a special working group that represents different sectors and different regions of the economy. We are now specifically looking at the issue of seasonal work. We have established a series of bilateral discussions with construction trades and other affected sectors. We are working with them in a very co–operative way to make sure that any new design of unemployment insurance fits the requirements of Canadian industry and Canadian seasonal workers.

* * *

HIBERNIA

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, yesterday in the House the Prime Minister stated and today the

Minister of Natural Resources reaffirmed that they would ask Canada's representative on the Hibernia holding company to ask for a review of the contract to Saint John Shipyards. I have been assured by the officials of the Hibernia holding company that the awarding of this contract to Saint John Shipyards was done as a fully justifiable decision in full accord with the provisions of the Canada–Newfoundland Atlantic Accord Implementation Act.

• (1445)

My question is for the Minister of Natural Resources. How can she justify interfering politically in this matter when the Hibernia consortium clearly followed the rules contained in the offshore accord?

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me explain that in spite of whatever contacts the hon. member may have and what he may think about the processes that were followed, the Canada–Newfoundland Offshore Board which is seized with the regulation and determination of these issues, concluded late last week that Canadian shipyards were not given a fair and full opportunity to tender for the work in question.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, clause 45 of the Canada–Newfoundland Atlantic accord states that in instances where the budget or the time restraints are in question the accord allows for contracts to be given without tender.

I would like to ask the minister why she would jeopardize the budget and the completion date of the entire project by demanding a review and/or tendering of the contract when it is clear that all the rules have been followed.

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me reiterate. In spite of what the hon. member has asserted, the Canada–Newfoundland Offshore Board, a board created to deal with these issues, has determined that the rules were not followed, that all Canadian shipyards were not given a full and fair opportunity to bid on the contract.

I do not think there is anything else I can say on the issue.

* * *

[*Translation*]

SEVERANCE PAY

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, yesterday, the Canadian press revealed how generous the Minister of Fisheries and Oceans is when it comes to pleasing his friends with money provided by Canadian taxpayers.

My question is for the fisheries minister. Can the minister explain to us how someone can work for four months in his office, quit his job voluntarily and pocket a bonus of $31,000, then be rehired by the minister in the same office at an annual salary of $93,000, without having to pay back even a cent of his severance pay? How?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the individual in question is the executive assistant to the minister of fisheries. Last February he was named in a matter that was under investigation in the Parliament of Newfoundland regarding fundraising practices in the province of Newfoundland.

The individual in question, my executive assistant, resigned his position in my office the next day until the matter had been cleared up. As it turned out the matter in question was subsequently referred to the RCMP because it involved a provincial cabinet minister.

Seven and a half months later the RCMP concluded that notwithstanding questions raised in the House initially by the opposition, subsequently referred to the RCMP for a thorough seven and a half months investigation, that individual was cleared of any question of wrongdoing whatsoever.

In that seven and a half months period the individual, Mr. Gary Anstey, sought no employment with any other operational organization, received no other income, in fact went without income for three and a half months.

After he was cleared of any wrongdoing he was restored to his job as executive assistant. He has done without three and a half months' salary in the process. How that can be described as a golden handshake boggles the imagination.

• (1450)

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, as we well understand, the minister's answer shows that he cannot deny that the amount of severance pay was at his discretion.

How can the minister, who preached virtue when he was in opposition, take refuge behind Treasury Board's lax rules to explain such generosity to his friends when the government is not ashamed to cut unemployment insurance for those who quit their jobs voluntarily? That is what bothers us. How can he do it?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I know the hon. member would want me to restate two points he made rather quickly.

First, the individual in question was away for seven and a half months and in that period received no salary for three and a half months.

Second, Treasury Board rules provide in this kind of circumstance—and I would be glad to lay a copy on the table for the House—for up to six months' severance pay for an individual who leaves a job abruptly for these kinds of reasons.

The assistant deputy minister of corporate affairs, when I sought advice, recommended in writing four months' severance. I accepted the advice.

* * *

GOVERNMENT EXPENDITURES

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, first we learned about the limo service of the official language commissioner and Ottawa digs at taxpayers' expense. Now we hear that the part time chairman of Ports Canada has billed the government $61,500 in extra pay on top of $53,000 in expenses, $12,000 for an Ottawa apartment that is used 24 days a year and $34,500 in travel from his home in Vermont. Does this sound like fiscal restraint, Mr. Speaker?

My question is for the President of the Treasury Board. Will he undertake an immediate review of per diems, honoraria and expense accounts of all government appointees to federal agencies?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member knows the government has already undertaken a review of all agencies and boards, and we are doing it very quickly.

I look forward to the assistance of members of the third party and other members of the House as we review in depth the operations on the maritime side of my responsibilities at Transport Canada. We have already announced that we are going to be looking at the structure of Ports Canada and how these arrangements are arrived at.

The case that the hon. member raises today is a result of an order in council appointment that I understand was made in 1987. It exemplifies the need to review all of these matters in depth, whether they have to do with the per diems of the chairman of Canada Ports Corporation or orders in council.

I can assure the hon. member that we are going to be doing it as quickly as we can. I look forward to their co–operation on this matter, unlike some of the things we have tried to correct where they have gotten into bed with whoever is convenient.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I address my supplementary question to the Minister of the Treasury Board.

Reviewing is one thing, we want action after the review. The government is sending all the wrong signals to its federal officials. How can we expect the bureaucracy to spend more responsibly when the executive assistant to the minister of fisheries received a $31,000 severance package for four months—or seven months even, I could certainly live on that—and is not even required to repay a penny when he is rehired to the same position several months later?

My question is for the Minister of the Treasury Board. How can the government dare to ask Canadians to tighten their belts? What part of fiscal restraint does he not understand?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the Minister of Fisheries and Oceans has made it quite clear that the employee involved resigned.

Until an investigation could be completed that person was without employment for some seven and a half months, which means that the $31,000 covered only the first three and a half months. There was a considerable period of time when that person was not employed and yet that person had not done anything wrong, as the minister clearly said.

The government is dedicated to ensuring the cost efficiency of every taxpayers' dollar that comes into the revenues of the government. We are tightening up on many of these procedures which previous governments had put in place to make sure that happens.

* * *

• (1455)

SALMON SPORT FISHERY

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

The Sport Fishing Institute of British Columbia has developed a proposal called Quickstart to rebuild stocks of coho and chinook salmon. All sectors of the industry in British Columbia, commercial, sport, and aboriginal fishers, will work together in rebuilding the stock and also restoring habitat with broad community involvement.

Has the government endorsed the Quickstart plan, and when will it come into effect?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, receiving such a valuable, worthwhile and sensible question gives me a quick start today.

We have had many questions about the state of the coho salmon resource in British Columbia from members on all sides of the House. The proposal of which the member speaks is a private sector initiative that we welcome, one that will help rebuild weak stocks of coho and chinook salmon through a privately funded program of support of breeding and habitat restoration.

The program Quickstart represents a unique partnership between the private sector, the sport fishing sector and both levels

of government. It is a solid initiative. We intend to work fully and quickly with the proponents to make sure it is a success.

* * *

[*Translation*]

NATIVE PEOPLES

Mr. André Caron (Jonquière, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. We just learned from Statistics Canada that the tuberculosis rate among status Indians is 43 times higher than for non–native Canadians born in this country. In fact, the infection rate is higher than in some of the world's poorest countries.

Since this incredible rate reflects appalling living conditions, can the minister tell us which concrete proposal his colleague from Public Works made to native leaders who recently met with him, to improve the housing conditions which are at the root of these health problems?

[*English*]

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, the hon. member has brought forward a question that is of great concern to public health and to the Ministry of Health.

We have been spending a million dollars a year so far to curb tuberculosis in aboriginal communities. We have now added $2.8 million extra per year over the next three years to try to eradicate tuberculosis so that by the year 2000 there will only be 20 per 100,000 affected and by the year 2010 we will have eradicated it completely.

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ELECTRONIC SURVEILLANCE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Canadian Press has reported that an interdepartmental working group co–ordinated by the PCO is studying the issue of electronic surveillance by federal authorities.

The group is concerned with the development of a clipper chip that would ensure that government agencies like CSIS, the RCMP and the CSE are able to intercept telephone, fax and computer transmissions despite attempts to encrypt them.

My question is for the Prime Minister. Will he confirm the existence of this working group and explain why, if CSE does not have a mandate to spy on Canadians, it is concerned about ensuring the ability of government agencies to spy on Canadians when the CSE is supposedly prohibited from doing so?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, one of the tasks of the CSE is to advise the government on the protection of the data in its computers because of the issue of cryptography.

It is quite normal that the CSE would be on a working group within the government where the working group is looking at developments in the United States and has been asked to give advice to government of what measures we may have to take to protect the privacy of information in our data banks from possible questionable intrusion.

* * *

TRADE

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the Minister for International Trade.

It has to do with the stated intention of the government to expand NAFTA to include first Chile and perhaps other southern American countries. Recently the government opposed an attempt by the NDP to inject a social dimension into the legislation having to do with the Uruguay round.

I ask the Minister for International Trade whether in the Canadian negotiations leading to the expansion of NAFTA it is the intention of the government to continue to shy away from introducing a social clause or a social dimension into these treaties or whether he could say today that in those negotiations leading to the expansion of NAFTA the government does intend to insist on a social clause, charter, dimension, whatever you want to call it so that we have a truly level playing field in these agreements.

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the NAFTA agreement includes two side accords, one on labour and one on the environment. Those will be an integral part of the negotiation with Chile with regard to its accession.

On the broader question of social policy and trade, that issue is being addressed in the International Labour Organization and indeed to a degree in the OECD. The recommendations and the findings of the ILO will come in time before the World Trade Organization.

The Speaker: It being 3 p.m., I have a point of order from the hon. member for Kindersley—Lloydminster.

* * *

POINTS OF ORDER

GUN CONTROL

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I will be brief and to the point.

When the leader of the Reform Party questioned the Minister of Justice regarding the leak of his statement on gun control, the Minister of Justice suggested that confidential material concerning his statement on gun control may have been leaked by the opposition.

This is not only entirely untrue but it is impossible because this material was broadcast on television last night and is in the

Globe and Mail this morning. Our party and the Bloc received the information only after eight o'clock this morning.

I would ask that the minister retract this statement and clear the air so that there is no condemnation and no unfounded charges against this party.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the record will show that I said no such thing.

I make it clear if there is any doubt that I was not suggesting that. Rather, I was responding to the statement that I was preferring interest groups and journalists to the House of Commons. I was making the point that I gave no information to journalists. I do not know who did. The people I gave it to were my colleagues in the House and in accordance with the time honoured practice on a lock–up basis for those who are particularly in the issue.

I did not suggest nor do I say that hon. members opposite breached the terms on which I gave them the documents. I make no such statement.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (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 certain petitions.

* * *

[*English*]

GUN CONTROL

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, one of the defining characteristics of our country is its deep commitment to order and to civility. It has been that way from the beginning.

Ours is a nation created by consensus, not by revolution. Our domestic history is a chronology of quiet accommodation rather than dramatic conflict. We are known throughout the world for our distinctly peaceful character. Our proudest international symbol is the blue beret. Our most valued asset at home is the safety of our cities and of our streets.

• (1505)

[*Translation*]

Canadians firmly intend to preserve and strengthen the outstanding civility that has always distinguished them. The political and legislative program on safety in public and private places shows this government's commitment in this regard.

[*English*]

It is in the context of that unconditional commitment to public safety that we undertook and have now completed a thorough review of Canada's laws in relation to firearms.

I rise in the House today to announce the decisions that we have arrived at and to table a document that sets them out in detail.

Let me first report to the House on the process that I followed in preparing the decisions that are being announced today. Since May of this year when the Prime Minister asked me to take on this challenge, I have worked with the caucus of the Liberal Party to meet with Canadians from all walks of life who are interested in this issue.

During the past five months I have visited for this purpose all 10 provinces and both territories. I have met with more than 150 national and regional groups of firearm owners and users: with farmers for whom the rifle is a tool in their daily work, with hunters, with gun collectors, and with sports shooters, some of whom have achieved international distinction in their sport.

I have visited aboriginal communities and I have spoken with families that hunt for sustenance. I have also met with police, doctors, nurses and victims organizations. I have reviewed the research relating to firearms safety and public health. I have listened and I have learned. I now wish to report on this extensive process of consultation.

In the first place there is of course no doubt that the entire subject of the regulation of firearms is controversial, but I can also report that there are broad areas of consensus. First, Canadians believe strongly that they do not want a country in which people feel they must own a firearm to protect themselves. That is simply not the way we wish to live.

Second, Canadians want above all to have a lawful and safe society in which the criminal misuse of firearms is dealt with severely. Canadians do not want to follow the approach taken to firearms by the United States. They want this government to chart a different course that will lead us to a different destination.

Third, I have learned that the firearms question is not a rural–urban issue. Canadians who live in the rural environment are just as concerned about their safety as are the rest of us. Indeed, they have reason to be concerned. Studies have shown that the homicide rate in rural areas is almost twice that in the urban environment.

Fourth, Canadians want our firearms laws to acknowledge and respect the legitimate interests of hunters and of farmers. They too are an important part of the Canadian way of life. Hunting is a long and valued tradition in Canada. It is a pastime enjoyed by many Canadians and, of equal importance, it is a very significant economic activity for many regions of this country.

[*Translation*]

Therefore our goal must be to strengthen and safeguard our Canadian approach, which allows people to own and use a weapon only for purposes that we as a society consider to be justified. An approach that ensures a fair and reasonable control on the possession and use of firearms. An approach that provides safety standards for the use and storage of firearms throughout the country. An approach that severely punishes any criminally negligent use of firearms.

[*English*]

With the careful consultations now concluded, the time has arrived to act. I wish to table in the House a document which describes the approach that the federal government will take through legislation.

Let me be very clear in doing so. The process of consultation leading to legislation is now over. As I have said, we have listened and we have learned but now we will lead. We will lead with the support I hope of this House. We will continue to work with the provinces, the territories and the aboriginal communities to ensure that our proposals are implemented in the fairest manner possible.

The areas in which we will act follow the three broad categories: First, criminal sanctions for the use of firearms in crime; second, controls over firearms in private ownership; and, third, efforts to reduce firearms smuggling.

● (1510)

Let me turn first to the question of criminal penalties. There is a disturbing trend particularly in urban areas toward violence with firearms. Five Canadians each week are victims of homicide by guns. The increased use of handguns in crime is particularly troubling. To strengthen the law and to provide real deterrents in sentencing we will introduce new strong penalties for 10 specific serious crimes.

Where firearms are used for robbery, attempted murder, manslaughter, sexual assault, and six other serious offences, there will be mandatory minimum penitentiary terms of four years together with a lifetime prohibition against the possession of restricted firearms.

[*Translation*]

Those who choose to use a firearm in such a way must know that they will surely incur severe consequences. We will also propose minimum mandatory prison sentences for the possession of a stolen firearms and the possession of handguns without permits if they are loaded or if the owners have ready access to ammunition.

[*English*]

Our second theme deals with the controls over private ownership of firearms in Canada. There are two measures here. The first is our proposal to ban most handguns and a wide variety of military type weapons. The second is the proposal for a universal registration system for all firearms.

I will deal first with the banning of military type weapons and most handguns. I say at the outset that we start from the principle that only those firearms that we agree as a country are appropriate for legitimate purposes should be available for private ownership. Hunting rifles and shotguns of course are in that category.

[*Translation*]

But there are also several types of military and paramilitary firearms that are designed to imitate weapons used by the army and the police and are intended not for hunting or farming but for combat.

[*English*]

I am able to tell the House today that we will prohibit effective January 1, 1995, 21 types of such paramilitary firearms comprising more than 200 individual models. When the laws we propose are in place we will also ban, among others, the Ruger Mini–14 used in the murders at l'École polytechnique.

We will also ban the further sale of most handguns because we have determined they have no legitimate sporting purpose. Almost 60 per cent of the handguns currently registered to Canadians fall within that category, some 553,000 handguns. With respect to those handguns that remain, we will strengthen the controls over access and use and we will require their owners to prove each five years that they continue to qualify or they will lose the privilege of possession and use. We will also ban the import, the manufacture and the sale of replica firearms.

Let me turn to the subject of universal registration. We will introduce such a system for all firearms. Indeed such a system is the foundation for all three strategies that I am describing today, criminal sanctions, controls over private ownership and efforts to reduce smuggling.

[*Translation*]

For years, the chiefs of police and medical community in Canada have been asking the federal government to adopt such a system. They believe that such a registration system can contribute to greater public welfare without imposing excessive constraints on hunters, farmers and target shooters. Our government agrees with them.

[*English*]

During a reasonable period of transition a registration for all firearms will be introduced in order to identify the owners of firearms and to record all firearms they own. Registration will

encourage compliance with safe storage requirements. It will allow police responding to emergency calls to know the firearms that are present before they arrive. It will allow police to seize all firearms owned by someone who is the subject of a prohibition order in the criminal court.

• (1515)

I ask that the House not underestimate the importance of that last point, of enforcing prohibition orders in the context of domestic violence. The House must bear in mind that on average one woman every six days is shot to death in this country, almost always in the home, almost always by someone she knows. Almost all of the firearms used for that purpose are legally owned. Almost all of them are rifles and shotguns. The people who pull those triggers become criminals by that very act.

We must also not lose sight of the fact that 1,100 Canadians commit suicide with a firearm each year. Too many of them are young people who act on an impulse. We must also remember that in the years since 1970, 425 children have died because they were accidentally shot and killed in Canada.

Increased compliance with safe storage, encouraged by universal registration will make it more difficult for these young persons to get access to a firearm either in a moment of torment or by tragic accident.

Registration will also be the key to ammunition controls. Once the system is in place only those persons who are 18 years of age or over and who can produce proof of registration will be entitled to purchase ammunition.

May I pass now to the control of Canada's borders and emphasize at the outset how large a task that is. I need not tell anyone how vast the frontier is we share with the United States. In terms of preventing the illegal entry of firearms the challenge is extraordinary.

We share the border with a country where guns are readily accessible. There are 130 million border crossings a year. It is simply impossible to open every trunk and glove compartment, but there are ways in which we can and will do better.

[*Translation*]

Further to the vigorous measures already taken by the revenue minister, we are announcing additional strict measures today to control the importation of firearms and to reduce illegal imports and gun trafficking.

First, we will end the practice of using Canada as a transit point for deliveries of weapons to countries that would not allow their direct entry.

Second, all shipments of firearms arriving in Canada will therefore have to be accompanied with a permit issued in advance.

[*English*]

Third, inspections and enforcement at the borders will be enhanced.

Fourth, new criminal offences and stiff penalties for smuggling will strengthen our hand.

Fifth, every firearm entering Canada will be registered. This will allow guns that disappear from bulk shipments to be traced and will permit us to follow every firearm to the point of sale.

May I finish as I began by talking about the kind of country we want to live in. The laws we will introduce are for all of Canada. They are sensitive to the concerns and the lifestyles in both the rural and the urban environment but they are also designed to achieve a single national purpose: safety in our homes and in our streets.

It has been said that the best way to predict the future is to invent it. Today we propose a way to invent a Canadian future that will reflect the best about us and to preserve what matters most.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, the Minister of Justice deceived us, fooled us, took us for a ride with the help of the Prime Minister himself. He had been promising a new gun control act for months, instead we get lip service from the minister.

In September, the minister said that he would table a bill in November and today he has the nerve to tell this House that it will be delayed until February. And we are supposed to trust him!

• (1520)

We will not, Mr. Speaker. We took his word for it, but we will not be caught a second time. We no longer believe the justice minister's promises.

There is nothing before us today, but good intentions. A ministerial statement does not commit the government to anything in particular. The justice minister may very well change his mind again tomorrow morning, and we will not be any further ahead, we will be at a standstill. Since the past is an indication of the future, the minister will probably change his mind and postpone the tabling of his bill till kingdom comes.

I find it very suspicious to see the minister wriggle out of it. Obviously, even if he takes the trouble to deny it, he yielded to the gun lobby to which several of his cabinet colleagues belong. A vocal minority easily won him over in spite of his supposedly strongly held beliefs.

On September 22, the minister stated in the House that the Liberal government was "going to deal with illegal firearms in this country, toughen the criminal law in its response to those who use firearms in the commission of offences, and deal with the regulation of firearms in the hand of lawful owners in a

manner consistent with safety in our society". When, Mr. Speaker, when?

The same day, the justice minister stated that he had spent the summer consulting with Canadians. In response to one of my questions, he said, and I quote: "I spent most of the summer consulting Canadians throughout the country and I listened to what they had to say". Either he is hard–of–hearing or he listened only to what the pro–gun lobby has to say. Apparently, nothing positive has transpired from these consultations. We are still dealing with good intentions.

Today, the minister tell us that now is the time to act. What is stopping him? It seems that action does not mean the same thing across the way as it does on our side of the House. On this side, when we say the time has come to act, it means that appropriate action is being taken and, in the present case, it should have taken the form of a gun control bill. But for the Minister of Justice, now means three months down the road, maybe.

The minister quoted disturbing statistics: "on average, one woman every six days is shot to death in this country". How many more will have died three months from now?

Does the minister need a better reason to act? He should realize that the longer he waits, the worse it is. With its action plan, the government is sitting on the fence.

Mr. Speaker, I do not know if can you hear, as I do, the noise coming from the back, but I must admit it interferes with my concentration.

The Deputy Speaker: Order, hon. colleagues. I give the floor back to the hon. member.

Mrs. Venne: Thank you, Mr. Speaker. I was saying that the government action plan is best characterized by fence–straddling. It reflects in part the position of citizens requesting gun control and gives in to the pro–gun lobby by postponing indefinitely the universal registration of firearms.

The minister has no intention of seeing universal registration implemented during his mandate. He expresses concern for the number of victims of homicides by gun, but tables no bill and puts off until 2001 the requirement for gun owners to obtain firearms certificates. They will have until the next millennium to comply with the minister's action plan.

As for firearms registration per se, owners are given until 2003 to register their firearms. How can the Minister of Justice think that he can be taken seriously when he says that the time has come to act and, in the same breath, tells us that weapons currently in circulation will not have to be registered for nearly ten years?

On the subject of penalties, the government action plan proposes a number of improvements regarding maximum sentences for crimes involving the use of a firearm. The list of offenses, however, includes neither assault with a weapon nor confinement.

• (1525)

The Minister of Justice also promised us tough measures on the smuggling and importation of firearms. Strangely enough, his action plan suggests stiffer penalties for owners of hunting rifles without registration cards than for those who import or own smuggled weapons.

While the hunter will be liable to a minimum sentence of one year in prison for a second offence, the smuggler may not even have to go to jail. Today, the minister tried to cover all bases of gun control, except perhaps when it comes to issuing registration cards for cannons, without biting into any of the real issues.

The Liberal government's lack of action does not take into account the realities faced by gun owners. In this regard, the regulations already in effect are inconsistent and difficult to enforce, even by police officers, who often are not familiar with them. On November 15, the minister replied to me in this House, and I quote: "We will make every effort to simplify (the regulations)". This does not seem to be among his priorities today.

Nowhere in the paper tabled by the Minister of Justice do we see an attempt at regulatory reform. The minister has failed to ensure that the existing regulations, particularly on the display, storage and transportation of firearms, are consistent and easy to enforce. These regulations are not published in an equitable manner. For example, the Minister of Justice is currently distributing among police forces throughout Canada an information booklet with different French– and English–language versions. It is this booklet I am talking about.

The inconsistency can be found in the chapter on the transportation of restricted weapons. Francophone and anglophone readers do not have to transport the weapon in the same way to conform to the regulations. In fact, the English–language version specifies that restricted weapons must be locked and stored individually, while the French–language version stipulates that these weapons only have to be stored individually. Does the minister promise to withdraw this misleading booklet from circulation?

The Minister of Justice is quite aware of the investigation conducted this month in Montreal by coroner Anne–Marie David. For his information, some 20 witnesses representing various organizations told coroner David how inconsistent and confusing these regulations are. Their lack of clarity leaves room for interpretation and its attendant dangers. In addition to promising new measures attempting to plug all the holes, he should have revised the faulty regulations already in effect.

[*English*]

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the creation of gun control legislation in a democracy places an obligation upon the government to balance the right of the individual to own property, in this case firearms, with the responsibility of the state to protect members of society from the dangerous or illegal use of firearms.

Like many Canadians, Reform members support gun control legislation based on common sense. In fact we fully support any and all gun regulations that will enhance public safety by reducing the criminal use of firearms. However, the onus is on the Minister of Justice to prove to us and to Canadians that current regulations have reduced the criminal use of firearms and that his proposed restrictions will be successful in this regard before we support the final product.

In his 1993 report the Auditor General of Canada expressed some concern about the effectiveness of Bill C–17. He questioned the motivating factor behind it, concluding that Kim Campbell proceeded for reasons of public policy and without a statistical base.

The Auditor General stated: "Our review of the new regulations indicated that important data needed to assess the potential benefits and future effectiveness of the regulations were not available at the time the regulations were drafted. Because of this, we believe it is important that the measures chosen by the government be evaluated at the earliest opportunity".

• (1530)

Although we had asked the minister whether he had taken the advice of the Auditor General we never were quite sure of the answer until today. Given the proposals the Minister of Justice has introduced, I suspect he may have ignored the recommendations of the Auditor General and proceeded to implement his own agenda for gun control.

In November of last year the minister stated that only police officers and the military should have guns. In respect to the minister he has clarified that remark to me since. Nevertheless, I see this sentiment still reflected in some of the proposals presented today.

The minister has proposed the banning of certain handguns from society without statistical justification for doing so. He is saying to law–abiding Canadians that if you do not use your handgun the government will take it away from you. I think this is wrong and we will stand opposed to this if it appears in the final legislation.

The minister has introduced mandatory minimum sentences of four years in prison in addition to a lifetime prohibition against the possession of a restricted weapon when committing any of the ten specific violent offences with a firearm. He has introduced a new mandatory minimum jail sentence for possession of a stolen firearm and possession of a loaded restricted weapon without a permit. The use of imitation or replica firearms in the commission of an offence will draw a minimum mandatory sentence of one year in jail under section 85 of the Criminal Code.

It is good to see that the efforts of the Reform members have not gone unnoticed by the justice minister. It is indeed encouraging to see the Minister of Justice following our lead.

On June 15 private member's Bill C–260 of my colleague from Surrey—White Rock—South Langley was read for the first time in the House. That bill expands the present offence of using a firearm in the commission of an offence by including replica firearms. It also increases the penalty for a first offence from one to fourteen years to five to fourteen years and for a second offence from three to fourteen years to ten years to life.

That same bill establishes the theft of a firearm as a new offence with a penalty of three to fourteen years. It also creates a new offence for the unlawful importation of a firearm for the purpose of selling it or using it in the commission of an offence. This offence would carry a penalty of three to fourteen years.

Finally, a person who sells a firearm other than by the process proscribed by law would be deemed to have aided in an offence later committed by the purchaser of the weapon.

Reform's position on justice has been very clear and consistent from the start. We firmly believe that the justice system should provide for harsh punishment as a deterrent for committing crimes and for just punishments once a crime has been committed.

The minister's position with regard to deterrence is however questionable. In debates on the Young Offenders Act, the minister has stated that he does not believe harsher penalties to be a deterrent to preventing youth crime. It seemed he had to be pushed to raise the maximum penalty for murder from five to ten years. This was the only area under the Young Offenders Act where the penalties were increased to any substantial degree.

Therefore, I place this on the record. The justice minister has been inconsistent in his support of a deterrent principle in criminal justice.

As well as supporting the criminal sanctions created by this proposed legislation, we also support the efforts of the government in regard to smuggling and the stiffer penalties created for illegally importing and trafficking firearms. However, we will remain sceptical about whether or not the government will be successful in catching gun smugglers.

To date, the government has not been successful in catching drug and alcohol smugglers. In fact there has been an increase in smuggling activity in this country which I have reason to believe in some cases is a result of the prohibitively high taxes and prices found in Canada.

The only way the government was able to stop the proliferation of tobacco smuggling into this country was to reduce the taxes, thereby making it an inexpensive item that was not as lucrative on the black market. In other words, it was not able to deal with the criminals who were involved in that illegal trade. It simply reduced the taxes on cigarettes and was able to reduce the smuggling by using that means.

We also have some concerns regarding whether the border controls will be effective, given that Bill C–34 has granted the Yukon Nation self–government. From statements the Minister of Justice made on October 4 while in Yukon, we have reason to believe that special legislation may be granted to reserves.

• (1535)

Since a number of reserves are on the Canada–U.S. border and the minister of revenue has stated that the U.S. is awash with weapons, how does the minister propose to deal with smuggling and black market activities that is already so prevalent on reserves adjacent to the international boundary? In this regard the proposals of the Minister of Justice do not go far enough and we have some concerns in this area. What use are the penalties on border controls if there are other areas that may be left wide open?

Reform does not believe in tinkering and amending only parts of the system. We believe in full reforms which are aimed at the total picture, not just one small aspect of the problem. This is true with our policies on immigration, deficit cutting, social policy reform, and other matters.

I now turn to the area which poses the greatest concern to me, my colleagues and constituents and that is the registration of shotguns and rifles.

A confidential report commissioned by the research section of the Department of Justice clearly points out the defects in the current handgun registration system. In fact it identifies approximately 30 problems with the registration system. The system has been in place for 60 years and it has failed to work. I cannot see how the minister can justify extending this failed system. How can he honestly tell Canadians it will reduce the criminal use of firearms when the criminal use of handguns has been on the increase?

The statistical justification for the registration of rifles and shotguns has not been made available to us in these proposals. How can we and how can Canadians in the absence of such information be confident that universal registration will in fact reduce the criminal use of firearms and thereby make society safer? We cannot.

We cannot afford ineffective legislation, particularly in the area of criminal justice. We must have sound and proven controls in place that ensure public safety.

On the banning of handguns, where is the information and where are the statistics that the Minister of Justice used to justify such a draconian measure?

It has been proven by various sources that gun controls do not prevent criminals from getting firearms on the black market. They do however make it more profitable for individuals to deal in the black market of these items. Repeatedly governments in this country have learned that prohibitive or restrictive measures lead to an underground market where people thrive on the challenge of obtaining something illegal and where ruthless entrepreneurs profit tremendously.

We witnessed this years ago with the prohibition of liquor and we have seen it for years with the trafficking of cocaine, speed, marijuana and other narcotics into our country. Guns are not immune from the underground economy. In fact trade in that market has not been diminished but rather enhanced by government action.

I observe the minister has outlawed hand–held crossbows and the registration of other crossbows has been put into place through these proposals. What is the justification for this? Does this not indicate an unrealistic degree of fear or apprehension underlying this legislation? I think it does. More murders are committed with knives than with handguns. Are we to see the justice minister move to the registration of these weapons?

We look forward in the coming months to the minister tabling the legislation. We assure him and the people of Canada that we will support legislation that is aimed at the criminal activity involving firearms. The case for such action has been evident far too long in this country. However, we will be closely scrutinizing that legislation which is a further encroachment upon the rights of law–abiding Canadians.

In closing I would like to quote from a letter written to me by a loyal and dedicated Canadian. He stated: "The people of Canada will not accept the suppression of our rights and freedoms by criminals and they will not accept the suppression of those same rights and freedoms by our government".

* * *

• (1540)

CANADA–JAPAN INTERPARLIAMENTARY GROUP

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present in both official languages the report of the Canadian delegation to the fifth annual meeting of the Canada–Japan Interparliamentary Group which was held in Vancouver from October 15 to 18, 1994.

The agenda at Canada–Japan meetings is always extensive and wide ranging. The Vancouver meeting was no exception. The delegates dealt with bilateral topics such as trade and the

political situations in Japan and Canada. On the multilateral front reform of the United Nations peacekeeping operations and the environment dominated the discussions.

The range and depth of the discussions that took place in Vancouver went a long way in allowing Japanese and Canadian parliamentarians to better understand the issues. The opportunity to put forth the Canadian viewpoint was critical and the Canadian viewpoint was effectively expressed.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I have the honour to present the sixth report of the Standing Committee on Public Accounts.

The report tabled today in this House concerns program evaluation. In his annual report for 1993, the Auditor General reviews program evaluation in the federal government.

After spending two meetings hearing witnesses, the public accounts committee is convinced of the need to publish an annual performance report on program evaluation.

The committee therefore recommends that Treasury Board Secretariat produce a report on the departments' performance with respect to evaluation no later than October 31, 1995 and annually thereafter.

Several other recommendations are also in this report. Pursuant to Standing Order 109, the committee asks the government to table a comprehensive response to this report.

* * *

[*English*]

PETITIONS

FIREARMS

Mr. John Cummins (Delta, Ref.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition which states in part that the justice minister is proposing anti–firearms legislation that will do virtually nothing to reduce violent crime but will severely restrict the rights and freedoms of millions of innocent firearms owners, contrary to the very principles of justice upon which this great country of ours is based. The petitioners insist that he bring forth legislation to convict and punish criminals rather than persecute the innocent.

HUMAN RIGHTS

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, on behalf of approximately 300 petitioners from in and around the city of Calgary living in the Wild Rose riding, I present this petition today.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibitive grounds of discrimination the undefined phrase, sexual orientation.

SMALL BUSINESS

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, in this petition the petitioners point out that there is now easier and greater access to capital for small and medium sized businesses. They point out however that there needs to be more done to remove red tape and impediments to business. They underline as well that the GST is cumbersome and costly to business. They note the government is currently studying options to replace the goods and services tax. They want the government to consider the needs of business as it goes forward with the various options.

HUMAN RIGHTS

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I have three petitions from the Carleton—Charlotte riding to be presented today. They are signed by many citizens from such areas as St. Stephen, St. Andrews, Moores Mills, St. George, Rolling Dam, Back Bay, Deer Island, Pennfield, Blacks Harbour, Beaver Harbour, Mace's Bay, McAdam, Harvey, Grand Manan, Dipper Harbour and Bonny River.

I am certainly pleased to present the first petition regarding societal approval of same sex relationships. The petitioners encourage the Parliament of Canada not to take any action that might be deemed as approval for same sex relationships. The petition is signed by 313 citizens.

• (1545)

RIGHTS OF THE UNBORN

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, the second petition is signed by some 312 citizens residing in the same areas I previously noted.

They would like Parliament and all members to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

They petition the House of Commons to take action.

ASSISTED SUICIDE AND EUTHANASIA

Mr. Harold Culbert (Carleton—Charlotte, Lib.): The third and final petition, Mr. Speaker, is signed by 307 persons in the same areas. They request that the House ensures that the present provisions of the Criminal Code prohibiting assisted suicide be enforced and that Parliament makes no changes in support of euthanasia.

The petitions have all been duly checked by the clerk of petitions and I am pleased to present them to the House.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, it is my pleasure today to present to Parliament a petition signed by constituents in the riding of Red Deer.

These citizens express their sentiments and great concern with respect to the aiding or abetting of suicide or active or passive euthanasia.

Therefore the petitioners humbly pray and request that Parliament ensures the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced and that Parliament makes no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

YOUNG OFFENDERS ACT

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I am pleased to present to Parliament today two different petitions from residents of my constituency.

First, the Union of B.C. Municipalities urgently requests the federal government to amend the Young Offenders Act to strengthen sentencing provisions for young offenders who commit serious crimes. I concur with the petition.

RIGHTS OF THE UNBORN

Mr. Randy White (Fraser Valley West, Ref.): The second petition prays that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

SERIAL KILLER CARDS

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, it is my pleasure to present a petition with well over 1,000 names from residents right across Ontario who support Mrs. Mahaffy's efforts to have serial killer cards seized at the border.

The petitions were started well before the justice committee tabled its report to have the obscenity code amended to reflect these changes.

GUN CONTROL

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, pursuant to Standing Order 36 it is my duty and honour to rise in the House to present a petition, duly certified by the clerk of petitions, on behalf of 198 concerned citizens throughout British Columbia.

The petitioners humbly pray and call upon Parliament to refuse the government's proposed anti–firearms legislation and introduce legislation to convict and punish criminals rather than persecute the innocent.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my constituents from Okanagan—Similkameen—Merritt call on Parliament to reject any proposals which might add to the existing regulatory restrictions regarding firearms; to respect the integrity of law–abiding, responsible firearms owners; to cause the Government of Canada to take such measures as are necessary to provide for strict enforcement of existing statutes governing the use of firearms in the commission of a criminal offence, with particular emphasis on the rigorous use of section 85 of the Criminal Code; and to provide strict sentencing guidelines and mandatory sentences for anyone convicted of the use or possession of a firearm in the commission of a crime in which violence is threatened or actually used.

I concur with my petitioners.

OFFICIAL LANGUAGES

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, in accordance with Standing Order 36 I would like to present a petition signed by residents of the district of High Prairie in my riding of Athabasca.

The petition requests a referendum of the people binding upon Parliament to accept or reject two official languages, English and French, for the government and the people of Canada, the acceptance or rejection of the proposed amendments to be determined by a majority vote of the total votes cast in the whole of Canada, together with a majority vote in the majority of the provinces and with the territories being given the status of one province.

I present the petition and support the petitioners.

* * *

• (1550)

QUESTIONS ON THE ORDER PAPER

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

The Deputy Speaker: Shall all questions be allowed to stand?

Some hon. members: Agreed.

Mr. Cummins: Mr. Speaker, I rise on a point of order. On September 28, I directed a question to the Minister of Fisheries and Oceans concerning the possible conflict of interest of members appointed to the Fraser River Sockeye Public Review Board.

The board has started public hearings and I have yet to receive a reply. Questions have been raised about the suitability of certain board members. I believe the public and Parliament have a right to know about the relationship of the appointees to the Department of Fisheries and Oceans before the inquiry proceeds much further.

My question deserves an immediate answer.

MOTIONS FOR PAPERS

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

The Deputy Speaker: The point of order raised by the hon. member for Delta had to do with questions. I assume the parliamentary secretary, who does not usually do this, will take it as representation and will try to speed the matter up.

Shall the remaining notices of motions be allowed to stand?

Some hon. members: Agreed.

The Deputy Speaker: Before recognizing the leader of the Reform Party I should indicate that pursuant to Standing Order 33(2) because of the ministerial statement Government Orders will be extended by 35 minutes today.

GOVERNMENT ORDERS

[*English*]

BUDGETARY POLICY

The House resumed from November 28 consideration of the motion.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I rise today to participate in the debate with three purposes in mind: first, to hold the federal government accountable for its management of public finances over the last year; second, to put forward constructive alternatives where the performance of the government has been weak or inadequate; and, third, by accomplishing these first two things to endeavour to assist the finance committee and the finance minister in the preparation of the 1995–96 budget.

The focus I would like to make is on five major deficiencies in the government's fiscal performance, all of which have negative consequences for the economy and, second, to make some recommendations for remedying those deficiencies.

The first deficiency pertains to the inadequacy of the government's deficit reduction targets. The government's target to date has been to reduce the deficit to 3 per cent of GDP in three years. The target is simply inadequate. It is too modest. The business community says that it is inadequate. The money markets say that it is inadequate. Just this week the IMF said in no uncertain terms that it is inadequate.

Why is it inadequate? It is inadequate because it does not get the job done, because it permits the government to add over $155 billion to the federal debt over the next two years, because it does not stop the erosion of social programs, because it creates upward pressure on taxes, because it fails to stimulate private sector confidence thereby retarding job creation.

Most important, the 3 per cent of GDP target is inadequate because it will not eliminate the deficit during the current upward swing in the business cycle. When the business cycle turns down, the deficit will not have been eliminated and it will be infinitely more difficult to make the spending cuts required under those conditions.

In other words, the government will have missed its window of opportunity for deficit reduction just as the Mulroney government missed its window in 1984–85. The reality is that the government's deficit reduction target is totally inadequate and our recommendation is that the government set a fiscally responsible deficit target soon. That target should be to aim to reduce the deficit to zero by the end of this Parliament.

The second deficiency is the inadequacy of the government's grasp of the real costs and benefits of social spending. Over 50 per cent of total federal government's spending is now spent in the social areas. Yet the Auditor General has pointed out that this is the area where the federal government has the poorest grasp of the actual cost of what it is doing and the values received.

• (1555)

If the auditors of a resource company that had over 50 per cent of its business in the oil and gas development area were to issue a statement saying that the company's accounting was defective with respect to both costing and values received in the principal area of its business, the stock of such a company would be driven through the floor.

This is, however, the great weakness of the discussion paper produced by the Minister of Human Resources Development: insufficient and inadequate data on the real costs of social programs and values received and virtually no data on the costs and benefits of alternative social programs proposed.

Professed social concern without fiscal responsibility makes a mockery of social service. In the 1990s the politician who is genuinely concerned about the well–being of the young, the old, the sick, the poor or the unemployed will ensure that the programs upon which those people are dependent are financially sustainable. The old style Liberal politician who fails to ensure that will do more to damage the people dependent on those programs than the most hard headed fiscal conservative.

Our recommendation in this area is to bring the Minister of Human Resources Development, the Minister of Health and the Minister of Canadian Heritage before the finance committee of the House and to grill them on the costs of their existing programs and proposed alternatives; to have that committee ask them the hard questions that they never ask themselves and are

rarely asked by their own officials; to have them answer those questions before they run the Canada pension plan into the ground, before they run medicare into the ground and before they run the Canada assistance plan into the ground; and to ask them those questions until they learn the meaning of fiscal responsibility in the 1990s.

The third deficiency concerns the insufficiency of the government's spending reduction proposals. In October the finance minister made a sobering presentation to the finance committee and the public, saying that he could not meet even his soft deficit reduction targets without cutting an additional $6 billion to $9 billion in spending. The minister presented no list of spending cuts. The minister was coy and he asked the committee and the public to provide that list for him.

Members of the business community have since presented such lists to the finance committee. Last week Reform members of the finance committee provided it with a detailed specific list of $10 billion in spending cuts outside major social spending areas.

During the same period of time, however, various parliamentary committees have been treated to the spectacle of ministers—the Minister of Foreign Affairs, the Minister of Canadian Heritage, the Secretary of State for Multiculturalism and heads of agencies like the CBC—endeavouring to protect and defend high levels of spending and high levels of overspending rather than putting forward responsible proposals for spending reduction, which is what the finance minister asked for. In other words they just do not get it. They are not listening to the finance minister. They are part of the problem, not part of the solution.

Reform members of the finance committee have provided that committee and the minister with a $10 billion spending reduction list. We challenged the committee to endorse it and to implement it. If we cannot persuade the government or Bloc members to support our list, perhaps we can stimulate their imagination to produce their own spending reduction list.

I ask Liberal members to put themselves in the place of the finance minister and pretend they have just received a call from their fiscal agent that the money markets are rejecting a major Canadian government bond issue. The Government of New Zealand once got such a call. The Government of Sweden got a call like that a little while ago. What then?

They would have to reduce spending overnight. Where would they make the cuts? They would have to produce the list. There would be no other alternative. We are saying produce the list now while there is time to buy time.

I ask the Bloc members to imagine themselves as finance minister of Quebec, the most highly taxed jurisdiction in North America, or soon to be.

• (1600)

They have just received a call from their fiscal agent saying that the latest Quebec bond issue cannot be sold. It has been rejected by the market. They cannot borrow any more. Quebec Hydro cannot borrow any more. What then? It would have to reduce its spending overnight. It would have to produce the list. We are saying why not produce the list now while there is time to make a difference.

The fourth deficiency: The incapacity of the government to estimate the employment impacts of either government overspending or deficit reduction. For 30 years the federal government has operated on the assumption that government spending and overspending is a stimulus to economic growth and job creation. It is finally discovering the falsity of that assumption. The finance minister acknowledged this in his grey paper.

If government spending and government overspending could indefinitely stimulate an economy and job creation, Canada would have the highest economic growth rate and the lowest unemployment rate of any country in the G–7. However, Canada has over one million people unemployed. The premise that government overspending creates jobs is false, particularly when you are overspending at high debt levels and high taxation levels.

Increased government spending and the increased taxation that goes along with that kills private sector job creation, particularly under those conditions. The policy models and the econometric models used by the government do not measure this. It is infected with the Keynesian virus that ignores the negative effects of government overspending and underestimates the positive employment effects of deficit reduction.

The premise that deficit reduction, particularly deficit reduction that leads to tax relief, is a powerful economic stimulus to the private sector is not built into the equations of those models. In effect we are flying blind when it comes to estimating the negative employment effects of government overspending and the positive employment effects of deficit reduction.

The finance minister is flying blind, the finance department is flying blind, the finance committee is flying blind and the Bank of Canada is flying blind on both of those issues.

Recommendation: That the finance department, with the assistance of the finance committee of the House and the Bank of Canada, issue a request for proposals for a new econometric model that accurately reflects the employment impacts of government overspending and deficit reduction. The finance department and the Bank of Canada need a new compass to chart their way through the years ahead and they should order that now.

The fifth deficiency: The unwillingness of the government to explicitly recognize the connection between the management of

federal finances and the management of the national unity issue. One of the principal arguments that separatists will make against the federal system is that the federal government systematically mismanages its finances and then tries to offload its mistakes and its debts on to the provinces.

The current size of the federal debt, the current size of the federal deficit, the current federal tax burden and the decline of federal–provincial transfers will all be offered as evidence in support of this thesis. These arguments will be made by separatists in Quebec despite the evidence shown every day in this House that most members of the Bloc do not have the foggiest notion how to balance a budget either federal or provincial.

Two recommendations, one general and one specific. If the finance minister and the government cannot be persuaded to redouble their efforts to eliminate the deficit in the name of fiscal responsibility, if the finance minister and the government cannot be persuaded to redouble their efforts to reduce the deficit in the name of social responsibility to preserve the financial underpinnings of the social service safety net, perhaps they could still be persuaded to redouble their efforts to eliminate the deficit in the name of national unity, to demonstrate that the federal government can balance its books thereby refuting separatist claims that it cannot or will not.

More specifically, before the national unity debate begins in earnest, federalism versus separatism, the finance committee should also make a specific recommendation to bolster the confidence of investors and lenders in the Canadian dollar and the securities of Canadian governments.

• (1605)

They should recommend that the finance minister, the Governor of the Bank of Canada, and all 10 provincial finance ministers, including the finance minister of Quebec, make a solemn public declaration that it is their intention to honour all the debt obligations of their respective governments regardless of the outcome of the federalist sovereignty debate or referendum. Such a declaration would be in the interests of all governments and the interests of all taxpayers no matter where they live in the country.

In conclusion, I have identified five major deficiencies in the government's management of the fiscal affairs of this country, deficiencies that have a major impact on economic performance. These are not insignificant things: the weakness of the deficit reduction target, the inadequacy of the government's data on real costs of social spending and values received, the inadequacy of the government's spending reduction proposals, its inability to measure the employment impacts of either government overspending or deficit reduction, and its unwillingness to recognize the connection between the federal deficit issue and the national unity issue.

On the positive side, I have made six major recommendations which I sincerely hope the finance committee, the finance minister and the government will take to heart: one, set the deficit reduction target at zero deficit by the end of this Parliament; two, drag the human resources minister, the health minister, and other soft headed ministers before the finance committee and grill them until they understand the meaning of fiscal responsibility in the 1990s; three, adopt the Reform Party's list of $10 billion in specific spending cuts in non–social areas or produce an equally specific alternative; four, issue a request for proposals for an econometric model that will actually reflect the employment impacts of both government overspending and deficit reduction; five, urge the finance minister and the government to redouble their efforts to eliminate the deficit not only in the names of fiscal and social responsibility but also for the sake of national unity; six, recommend that Canada's finance ministers and the Governor of the Bank of Canada issue a solemn declaration of their intent to honour the debt obligations of their respective governments regardless of the outcome of any federalist–sovereignist debate or referendum in 1995.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Thank you, Mr. Speaker, for this opportunity to direct some questions and comments to the leader of the Reform Party.

I listened carefully to what the leader of Reform Party had to say. In fact, I always listen very carefully to what Reform members have to say, and there are two points I would like to make. My first point is that the leader of the Reform Party does not have the foggiest idea of what is happening today in Quebec, of what is shaping and promoting the sovereignist option in Quebec to make a country out of the land we cherish. It is not because of poor management by the federal government. It is, first and foremost, about choosing the kind of society and country we want, and above all, it is about getting out of a system that is impervious to reform, a system that is doomed.

I think the Reform Party is accelerating the process in Canada, because last week they proposed cuts to all the symbols that are a source of pride for Canadians. I do not feel more Canadian than the Reform Party, but I think they lack vision.

They brag about proposing $10 billion in cuts, but just look where they want to make those cuts! It is so vicious and shortsighted, for instance, to suggest cutting and slashing and even destroying the CBC, as well as everything connected with the language, culture, development and international presence of the country they claim to defend. They want to save $10 billion by destroying the very foundations of what they claim to defend. This is odd, to say the least.

• (1610)

About a month and a half ago, we in the Bloc Quebecois presented proposals that would raise between fifteen to twenty million dollars. Mr. Speaker, consider the difference between our approach and theirs. Consider that $8 billion worth of unpaid revenue is out there, $8 billion owed to the federal government, a point that was raised in the Auditor General's report last week. They are not talking about going after those $8 billion worth of unpaid revenue and taxes, and do you know why? Because most of those accounts receivable are big accounts, people with very high incomes who owe money to the federal government and who can count on the right incarnate on our left—I know it sounds peculiar—to defend them with blind dedication. They know these people will defend them practically to their dying breath. They are not interested in those $8 billion because these are their pals out West.

They also ignored the fact that $1.5 billion could be cut in the National Defence budget, as we suggested. They did not even consider what the Auditor General had to say about wasteful spending at National Defence. Why? Again, probably because they have some friends there, so they will not admit there is any wasteful spending in the Public Service and at the Department of National Defence.

They did not take a look either—guess where, Mr. Speaker? At the tax treatment of corporations. They do not want to touch it. Why? Because they are so dogmatic. As far as the Reform Party is concerned, these big corporations can do no wrong.

I suppose if they are prepared to say it is morally right—they are very keen on morality—to have a classified ad in the newspaper that says "unused federal tax deduction for sale", and accept that, they will not look at the tax treatment of corporations, which I think is disgraceful. They have no social conscience and do not have the foggiest notion of what Canada is all about.

They approve of an outrageous family trust system which defers for 80 years taxes payable on capital belonging to the wealthiest in this country, and there again, I think they lack a sense of morality and they lack vision.

For all these reasons, I think it is disgraceful that Reform Party members set themselves up as great reformers. It looks more like they are out to destroy the country they claim to defend. We are anxious to get out of this country because we are sick and tired of these dogmatic speeches.

[*English*]

Mr. Manning: Mr. Speaker, I thank the member for his comments. Let me respond on two fronts. I believe the member's comments demonstrate exactly what I was saying, that with all due respect the Bloc members do not have the foggiest notion as to how to balance a budget.

With respect to unpaid taxes, we could collect all the unpaid taxes referred to in the Auditor General's report, the $5 billion to $6 billion, every one of them, and we would not even help the finance minister to get up to his soft target. He needs $6 billion to $9 billion.

This idea that they can tax our way out of the problem we are in, either in Canada as a whole or in Quebec, is completely fallacious. Any government that attempts to do that will turn itself into the most highly taxed jurisdiction in Canada. If they followed their advice they would end up having the most highly taxed jurisdiction in Canada.

On the second point, that Reform goes after all the things that people hold dear, the $10 billion in spending reductions that we advocated in front of the finance committee are outside the social area. That is one of the reasons for focusing there first. Second, I challenge this whole thesis. It has been people who said: "Don't reduce your spending because all these things are sacred" in many other countries that have helped destroy those very things they said were sacred. They let the debt get higher and they let the interest on the debt get higher until it eroded every social service they considered important.

My point, and I conclude with this, is that to demonstrate social concern today is not to use the rhetoric of the 1930s that we need more social programs. It is to come up with ways of making essential social services financially sustainable. That is the social conscience of the 1990s.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I cannot believe what I hear from the Reform Party leader. I want to ask him a specific question and I would like to get a specific answer. If he does not have it today he can table it some time soon in the House. Over and over again during the campaign the Reform Party told Canadians it would balance the budget in three years.

• (1615)

I want the hon. member to give me the specific programs that would be cut, the specific initiatives that would be undertaken, item by item, and table them in the House before the end of the week. Then we will see how they will eliminate the deficit in three years.

Mr. Manning: Mr. Speaker, we have done this over and over again for two years. We have tabled this already. We have tabled the Reform Party zero in three program for reducing the deficit. Now we are in the process of updating it, using the minister's latest figures. The first phase was the $10 billion in detailed, specific cuts that were laid before the finance committee last week.

The problem is not getting the list. The problem is finding a government with the political will to implement it.

Ms. Catterall: Mr. Speaker, a point of order. I wish to advise the Speaker and the House that from this point on government members will be dividing their time, 10 minutes each.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, a brief question for the hon. member. He said in his statement that the government has not taken into account the impact of deficit financing on jobs, et cetera.

Does the member not agree that the impact on the Canadian economy of slashing the deficit at such a pace would drive Canada into a worse recession than we have just come out of and would create even more hardship on the Canadian economy?

Mr. Manning: Mr. Speaker, the thesis that balancing the government budget in that three year period would create recession is a view that was in vogue 30 years ago if you subscribe to Keynesian economics. In our view it does not operate today.

The reason it does not operate is because at our levels of debt and taxation, a dollar left in the hands of a taxpayer, a lender or investor today is more productive than that dollar in the hands of a politician or a bureaucrat. That is the 1990s economics.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am very honoured to take part in the debate on Canada's budgetary process.

It is important to spend a little time trying to realize how we got to where we are. Studying the history of where we are and how we got here may allow us to reach a conclusion on how to get back out. We got here by getting on what I call the STB formula for disaster, which is basically spend, tax and borrow.

The concept of spend, tax and borrow has caused a ratcheting effect, constantly spiralling interest rates with the debt expanding and growing ever faster. It is very much like a mortgage where you never pay the interest. It just keeps getting bigger and bigger until we get to the point where we cannot pay it off. That is what we have done.

We started back in 1982, just to use a very short period of time to reflect on. From 1982 until 1992 federal government spending increased from $67 billion to $141 billion, a 210 per cent increase. Governments have become insatiable spenders. We have been sold on the idea that somehow we can continue to enjoy services without paying for them.

It is partially the fruition of the baby boom generation. Some of this is psychological. The baby boomers believed they could continue to consume without paying. Politicians told us this was possible and we wanted to believe it.

The exasperating formula of STB is also partially related to the fact that there is no division of these powers within government. In other words, the power to spend, the power to tax, the power to borrow is all in the same hands. Some people have suggested that we should have a special commission, one that simply collects taxes so that governments would have to match their spending to the taxes that were available, rather than the other way around.

• (1620)

In addition to the spending we also started building up a huge civil service. Currently 6.5 per cent of our labour force, 866,000 people, is employed by government. We seem to have growth for the sake of growth.

In most of these areas we did not actually add any productivity into the economy. In spite of the fact we were told we could do this for free, taxes slowly started rising. Many people in the House have complained about the complexity of our tax system. They search for some kind of new Utopia, a flat tax, a simple tax. To me that is a recognition of not knowing why the tax system is what it is and how it got to where it is.

The tax system is designed to extract the maximum amount of money out of the pockets and purses of the people of Canada. It gets more and more intuitive and more and more inventive as our insatiable desire for more taxes increases. A simplistic tax system is very easy but it may allow the escape of some moneys in the system.

For instance, even in the Income Tax Act there is an anti–avoidance section, which simply says in layman's terms that if we cannot catch you somewhere else in here, we are going to catch you anyway; we can override the income tax system. I often thought that we should call the GST or a new value added tax the value added cumulative user utility method or vacuum tax which is basically what we want to do. We can put a vacuum into everyone's house and suck every last cent out of it.

Not happy enough to increase our spending, to increase our taxation levels to the point where people did not have any disposable income, we then started borrowing. First we started borrowing from ourselves. The baby boomer generation borrowed from its predecessors who knew how to save, who had gone through the depression and had great savings. Canadians were the second highest savers in the world. Even so, we outstripped that. We used all their savings.

Then we started borrowing from foreigners. We started borrowing from people in the United States. We started borrowing from people in Japan. Currently 44 per cent of our gross domestic product is accounted for in foreign borrowing. Twenty–five per cent of our total outstanding debt is owed to people outside the country.

This creates an additional problem. We have to keep getting investment money into the country so that we can earn foreign exchange reserves to pay the interest. We are caught in a constant ratcheting spiral.

Where are we today? People talk about continuing to spend. We have curtailed some of our spending. We have discovered that some of the benefits in our current governmental system are really earned by people going back to work, causing upward changes in our revenue and a downward push on the UI account. The reality is we continue to spend. Worse than that we continue to tax.

I have some interesting statistics on the average Canadian family that earns $57,696 in 1994. Here is the bill: social securities, unemployment insurance, Canada pension plan and medical taxes, $5,011; gas taxes, vehicle licences, $926; liquor, entertainment taxes, $1,274; property taxes, $2,041; federal and provincial sales taxes, $4,284; other taxes such as import duties, $2,630; income taxes, $11,037; total, $27,203 which is almost 50 per cent of what it earns.

During the recession this got worse. Suddenly some lost their jobs and half the income went out the window. The Auditor General reports that he is concerned about the over $6 billion in arrears of income taxes. What I cannot understand is why it is so low. The reality is that when people could not put food on their tables they stopped paying their income taxes. We only left a small pittance for these people to pay their mortgages, feed and cloth themselves and still we continue to borrow.

• (1625)

Some of our smarter people started thinking: "Wouldn't another country be better to live in?". Some people think we can continue to tax. People earning over $250,000 pay a 53 per cent marginal rate of tax. In the United States it is 32 per cent. In the United Kingdom it is 42 per cent. Suddenly people start thinking: "Let's get out of here. There are better places to live".

We talk about assisting small and medium sized businesses but in reality the federal government crowds out the capital markets. People cannot borrow. Why loan money to Joe's auto body up the street when you can get a mortgage on all the people of Canada?

The federal government, in trying to resist spiralling interest rates, started shortening the length of its debt instruments. Currently the federal government debt is out to four and a half years. That is the equivalent of refinancing your mortgage 25 per cent every year. What does it mean? It creates all kinds of volatility. What if some day somebody does not want to lend you any money? That is exactly what is happening. People are starting to look at Canada and wonder about our insatiable appetite for spending. They start debating whether they should lend to us at all. They certainly start pushing up the interest rates and for a short term period of time.

In September in the private sector there was the greatest conversion of Canadian denominated bonds in two years; $1.9 billion was converted into foreign currency away from the Canadian market.

Where do we want to go? We want to get the ratchet working the other way. We must look back at these three aspects of spending, taxing and borrowing, and reverse the process. We must cut spending but we have to be very judicious as to how we do it.

Public sector unions are trying to maintain their existing wage structure. The reality is that the public sector unions in all segments of their employment are paid 20 per cent higher than all private sector wages.

We have a guild system in our transportation network. These are things from the past, from history. We cannot afford to continue. Everybody, whether it is labour, business or government has to be part of the solution. Everybody has to realize that they have to accept less to make the country whole again.

As well as the Reform Party, I have made some suggestions. We should roll back RRSPs from $12,500 to $7,500. This would save the government half a billion dollars a year.

On the question of international aid, I do not think it is a matter of being mean. It is a matter of doing what we can afford as a country. Canada's foreign aid is twice as high as that of the United Kingdom as a percentage of our gross domestic product, twice as high as the United States, and a third higher than Australia. We simply cannot afford that degree of spending. By cutting foreign aid by half so it is consistent with all these other countries would save a billion dollars.

We have to restructure our social programs. This is not to take money from the people who need it, it is to make those systems work more efficiently. We are not eliminating them but we are trying to cut those areas of abuse from the system. Over $3 billion could be saved in this area.

Money could be saved in the area of the CPP. We could make it more efficient by being more efficient in collection methodology. That would save a quarter of a billion dollars.

We need a further cut of $2 billion in defence spending. By cutting the funding of cultural and advocacy groups a small amount of money, $.01 billion could be saved. Agricultural subsidies are another area that we are going to have to cut. We just cannot afford it, a billion dollars.

I looked at civil service wage reductions. How we are going to get them, I do not know, but the bottom line is savings of $3.6 billion. We can make our prison system more efficient by making it more income sensitive, saving half a billion dollars. By restructuring of our transportation industry, another half billion dollars can be saved. That is $12.36 billion.

• (1630)

I also estimate that a reduction of that magnitude will actually lower interest rates in Canada by 2 per cent. This will reduce interest on the federal government debt by a further $12 billion. That is a $25 billion reduction. These things are possible. These things are necessary. We have to do this and we have to get on with it.

In conclusion, regardless of whether they are in the labour movement or in business all people in Canada realize we have to address this problem. This country can no longer continue on the road to wrack and ruin. We can no longer afford champagne when we have a beer budget.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): I shall be brief, Mr. Speaker, because I believe we are allotted only five minutes.

One of the remarks that caught my attention in the speech of my hon. Liberal colleague is the one to the effect that perhaps civil servants are too well paid, unless I misheard because I was listening to the interpreters. I find this is shifting the blame onto someone else than oneself.

They are the ones, the Liberals, in charge of administering government finance. They are the ones in charge of giving instructions to civil servants. As far as I know, civil servants listen and do as they are told. Personally, I always asked my boss for pay increases when I was in the private sector, but I would assure him at the same time that he would get his money's worth.

The problem—and it is easy for the Liberals to put the blame on the civil service—is that employees are not given clear orders. They are not given a mission. They are not instructed to listen to what the public has to say. The message they get is: "Do as you are told and when you get on my nerves, I will beat you over the head". As I said, I think that using civil servants as scapegoats is cheap. They should instead be given clear instructions and mandates so that they can make savings. But you cannot put the blame on they if you did not listen to what they had to say earlier. This baffles me.

[*English*]

Mr. Shepherd: Mr. Speaker, I thank the member for his questions.

The reality is there are all kinds of factors and forces within our economy. Needless to say in the public sector there are public sector unions. They have signed contractual obligations with the Government of Canada and the Public Service Alliance is also involved with the provincial governments.

The bottom line is that some bummer contracts have been negotiated over the years. The government has been very judicious at trying to reduce the civil service by way of attrition. It is not working in the sense that it is not working nearly fast enough for what we need to do to make us more efficient.

We have to look at all aspects of government spending. This is very much on the government's agenda, that is not necessarily rolling back public sector wages but to negotiate with the unions a more effective and efficient civil service.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, it seems like only yesterday that we were sitting here listening to the finance minister presenting the very first budget of this new government. It brings home the fact that there is precious little time left between now and the next budget.

The motion of this debate is that Parliament take note of the views of Canadians on the fiscal situation in giving advice to the finance minister and to the government of the day in developing the 1995 budget.

I know that many of us are out there consulting with our constituents. For the first time in the history of this country consultations on the budget are taking place not behind closed doors but in open and in public. In every corner of this land we hope to engage Canadians in addressing the fiscal problems we have, in addressing what kind of country they want and how much they are prepared to pay for it. In my view this is the way to do a budget.

• (1635)

I had what would be the first stage of input to the 1995 budget in Ottawa West several weeks ago when we held a consultation on the social programs review. The message that came out of that consultation which was attended by over 150 people was very clearly a budget message. The message was that yes, they are aware of the fiscal problems of the country. Yes, they want a sounder, economic situation for our country, but they want fairness above all and a country that is still committed to those values of sharing, of fairness, of compassion and of shared responsibility for the collective well–being and for the well–being of fellow citizens.

All of us have been receiving much input from our constituents as the media has speculated about measures that might possibly be taken in the budget. Therefore I certainly want to share with this House and with the finance minister what I have heard from my constituents and the specific messages around that fundamental message I am hearing.

People are very much aware of the fiscal situation we are facing. In the Liberal red book we said very explicitly that any responsible government has to have the goal of a zero deficit. We felt it was a responsible target to commit ourselves to reach 3

per cent of GDP, that is, cutting the deficit in half compared with our GDP in the first three years of our mandate, by 1997. That is the goal we set and that is the goal we intend to reach.

I will spend a couple of minutes on why it is important that we do that. For the people I am hearing from in Ottawa West certain things are important to them about this country's programs and values.

The fact is that the debt and deficit restrict our ability to move our nation forward and to build our economic prosperity. Right now close to one–third of every dollar we spend is being spent just to pay interest on the debt. That is money we do not have for other things that are important not only to the Canada of today but to the Canada of our children and grandchildren.

Let me talk a bit more about some specific issues people have been bringing to my attention. They realize that this level of debt and this level of interest payment on our debt restrict the sovereignty of a government. They restrict its ability to make decisions and to make plans for the country and for its people.

The question then to my constituents and to every Canadian is as to how they want us to deal with that, which means a better balance between what we are spending and what we have in revenue. That is what we are asking Canadians. How do they want us to achieve that balance?

We indicated our direction clearly in the last budget where cuts in spending were five times the increases in revenue. Those increases were achieved on the revenue side by getting rid of perceived special treatment for certain groups in society.

I want to express the concern that we not make decisions that look good in the short term but that impact on our ability to be strong economically in the long term. I am very concerned that we not harm our scientific and research base to the point where we may look better in this year's budget and in the budgets for the next few years, but we are starting to undermine our ability to have jobs 10 years from now.

I want to make sure we are not cutting back in areas now that are feeding the economic growth of the small and medium sized businesses. They provide 85 per cent of the new jobs in this country. I want to make sure we are not cutting back on our ability and our contribution to the development of countries around this globe that are our future customers if they can develop their economies and if they can develop their democratic systems of government.

• (1640)

Above all I want to make sure we are not cutting back on the development of our most important resource: the talent of our young men and women, the young boys and girls who will become our young men and women.

Fairness is a strong theme I hear. People want to know that everybody is paying their fair share. They want to know that they are not being targeted for cuts in benefits they now enjoy while others continue to get away with not paying their fair share into the pot from which we all benefit.

Seniors are particularly concerned. A very large proportion of them live in Ottawa West. They want to remind this House that old age security and the Canada pension plan are not charity and are not welfare. I read the debates again from the fifties when the old age security was implemented. It very specifically said that this pension is a right of citizenship and everybody is going to pay on their income tax for that pension. They did that and they continue to do it.

A few years ago it was rolled into the general tax rate, but it is still there, a special payment for old age security. That is a pension people have paid for. They want me to remind this House and our government how much they have sacrificed, the hardships they have put up with, the things they did without, to take responsibility for providing for their own retirement. They want me to remind this House that we owe a debt to them, a debt of gratitude and a debt for the quality of life we have in this country.

I want to talk a bit about the public service as my colleague before me has done. I remind the House that we could cancel the whole public service tomorrow and we would still have a huge deficit and a huge debt. We could cut all government spending on the actual operating of government tomorrow and it would not take care of our deficit and debt problem.

Everybody who works for the public service knows we are going through a tremendous period of change. They know that period of change will certainly mean changes in jobs and a smaller public service. Again we have to be sure that we are not targeting specific segments of our society, including the public service, to bear an unfair portion of the burden that belongs to all of us as Canadians.

We want to continue to reaffirm the value of government services across this country. They are the kind of services that keep our transportation and food supply safe, that keep goods and services moving across this country and without which we would not have an economy.

In the few seconds I have left I also want to say that above all my constituents want to keep reminding us that the best way to solve our debt and deficit problem is to have more Canadians working, more Canadians employed and contributing to the economy instead of requiring the assistance of their communities and their society.

They do not want us to lose sight, as we have not done, that our main target is jobs and economic growth, that fiscal responsibility is part of that but so is social responsibility. We should not solve our fiscal deficit by creating a social deficit. They remind

me and I remind the House that disparity is growing in this country, not decreasing. Those who are well off, those for whom the Reform Party seems to speak are better off than they have ever been. It is below that where everybody is a little worse off. That means our country is worse off.

Like the constituents I have spoken with, and I will be speaking with many more when we hold another consultation on the budget specifically on December 11, I wish the finance minister the best of wisdom in the deliberations he has ahead of him. I wish him above all an open ear to Canadians.

• (1645)

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I listened to the comments by the deputy whip. I wish to draw my colleague's attention to a point: she talked about the finance minister's budget, about the red book's objective of 3 per cent of GDP. She repeated what people in her riding told her. I would like to remind her that someone in my riding said that the Liberal Party's objective of 3 per cent of GDP was like being in a sinking ship and worrying about peeling paint.

With this comparison in mind, my question to my colleague is this: What does she think of the lifeline thrown by Premier Jacques Parizeau regarding areas of overlap? There are firm proposals on manpower training, so that we can make rational use of your surplus public servants. What do you think of transferring job training to the provinces? That is a nice lifeline.

Ms. Catterall: Mr. Speaker, my colleague knows full well that we are carrying out a full review of federal government programs and how we deliver them to Canadians. One of the goals of our review is certainly to identify duplication and overlap and reduce problems in this area, because it is indeed a form of waste when two levels of government deal with the same problems and programs.

Although my approach to the division of responsibilities would be different from that of my colleague, we are certainly trying, in co–operation with all the provinces in the country, to rationalize services in order to reduce overlap and duplication.

[*English*]

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I would like to ask my hon. colleague her definition of the relationship between the increasing debt load and the level of employment. If there is such a relationship in her mind, how is it affected by the fact that the target of 3 per cent really does not eliminate the debt load? It is increasing the debt load.

Ms. Catterall: Mr. Speaker, there are members in this House who have different levels of private wealth or income. I represent people who earn different levels of income. The ability to borrow, the kind of mortgage you can carry and afford depends on your income and wealth. It is the same with a country. That is why we have chosen to express our debt and deficit target in terms of the GNP, which is the wealth of the nation.

Obviously if you have an income of $100,000 you can afford a different kind of mortgage and can afford to borrow and pay more for a car than if you have an income of $20,000. It is that simple. That is why linking what is an appropriate target for reduction of debt and deficit to the GDP is a proper way of doing it.

I will answer the question, but not quite in the way I think the member wanted an answer. I believe very firmly that in large measure the debt and deficit have risen because of our declining level of employment in this country. It has been increased by major steps over several decades. Clearly if there are 10 people contributing to paying for a project, it is more expensive for each one of those 10 than if there are 20 people contributing to pay for the same project.

• (1650)

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, unlike my colleagues, I am not too pleased to speak on Motion No. 17, because for me it is a waste of time. This motion is mainly about tabling a committee report. Imagine the time we take while people, taxpayers, Canadians are worried and unemployed and have no solutions. What Canadians and Quebecers want is a government that acts, a government that will present programs and do things to put people back to work and give them some pride. That is what Canadians expect of us.

Excuse me, Mr. Speaker. I forgot to tell you at the beginning that I was sharing my time with my colleague.

In the present economic situation, of course, the debt is $150 billion—everyone says so and condemns it. Everyone knows the cuts that could be made when preparing a shopping list but no one ever makes them. We are not presented with anything to do it. When facing such an economic situation, of course they want to hide and above all they want to avoid debating the government's finances.

Why? I ask you why they want to avoid this debate. It is time. The people have been consulted. It is time to come up with something.

Are we ashamed of the budgetary policies that they want to bring in to control the deficit? Are they ashamed to apply them? Of course I would be ashamed to hold phony pre–budget consultations, if my budget strategy, already established in

advance, was to reduce the deficit on the backs of the poor, welfare recipients, the unemployed and especially students and to slash transfers to the provinces. This is what the Liberal government wants to do, but it does not dare to put it on the table for discussion. It holds phony consultations. It wants to limit debate so as not to make too many waves.

The government set a target for deficit reduction of $39.7 billion. This same government also says that a change of policy is needed to put its finances back in order. This government's budget policy has three main thrusts: economic recovery, attacking the poor and cutting transfers to the provinces, as I shall explain.

On the subject of economic recovery, the Minister of Finance says that 80 per cent of the federal deficit is structural. The fact that it is structural means that the deficit has nothing to do with the current economic conditions, or with the unemployed. Contrary to what this government thinks, Quebecers and Canadians are faced with a structural unemployment problem and they are not out of work by choice.

The Liberals sincerely believe that a large proportion of jobless people are lazy and are unemployed by choice. The Liberals also think that they will stimulate employment by forcing many unemployed individuals to look, and I emphasize the word look, for work. Yet, jobless people constantly come to our constituency offices to find out about programs. But these programs are in a state of chaos. Employment centres cannot keep up with the demand for work. The fact is that our unemployed are energetic and more than willing to work. It is the structure which is at fault.

The government's policy consists in targeting the poor by making cuts in social programs. The government wants to cut $7.5 billion in the budget allocated to these programs. However, it will not eliminate the deficit by targeting the poor. Instead of making thoughtless cuts through their social program reform, the Liberals should define clear and specific objectives, and they should also develop a job–creation policy, as they promised they would in their red book and during the last election campaign. They have failed miserably on this one. Indeed, they only managed to create a few temporary jobs through the infrastructure program.

• (1655)

The Liberal government also wants to reduce the deficit by making unilateral cuts, with no compensation, in transfer payments to the provinces. The Minister of Finance is once again passing the buck to the provinces. The debt will not go away by depriving the provinces of $2.6 billion. Other solutions are needed to eliminate that debt, as well as the deficit.

The Minister of Finance keeps asking us for suggestions. We say that the time has come to eliminate duplication and overlapping with the provinces. Ottawa must withdraw from those sectors which fall under provincial jurisdiction, and it must compensate the provinces accordingly. Eliminating federal interference will translate into savings of $3 billion for Quebec alone. Moreover, Quebec would finally be able to devise its own integrated policy regarding job creation, a policy that would really answer the needs of Quebec men and women.

However, the Bloc Quebecois agrees with the Minister of Finance when he says that the deficit cannot be eliminated simply by cutting government spending. This is why we have made fair and equitable proposals that would lead to savings of $34.5 billion. These proposals should be taken seriously by the government, because they are far above the $25.6 billion savings that the government wants to realize at the expense of the neediest, mostly by cutting unemployment insurance and transfer payments to the provinces for education.

The Liberal government should draw up a budget which would focus on cuts in government spending and in subsidies to companies which do not undertake to create jobs, in its deficit reduction measures. Programs should be managed more efficiently, that is to say we should have sound management of business subsidies. We should stop giving money to companies which are neither productive nor competitive, money which is very often a form of patronage. We are talking about $3.3 billion here. It is high time that the minister and his government look squarely at the problem and stop dumping their problems on the provinces.

The red book promises jobs, and the Liberal government must adopt concrete job creation policies to bring us back to pre–recession employment levels. We need close to 825,000 new jobs, a far cry from the 45,000 temporary jobs they created during the past year. They still have a long way to go.

Let the government keep another one of its promises: not to raise taxes. To this end, the time has come to review certain tax loopholes enjoyed by high–income earners and big corporations. We all know in this House that family trusts, which are an important tool used in tax planning, are for the government a source of losses we can assess. According to some tax experts, they amount to several hundreds of millions of dollars.

The government has the tools to disclose the value of the assets in these trusts. Let the government tell us how much money is lost in tax revenues. This question was raised on several occasions in different committees. We never got an answer. But above all, let the government be true to its position when it was in the opposition, when it opposed delaying payment of taxes on capital gains until the death of the last beneficiary.

• (1700)

The finance minister and his government must come forward and say how they intend to deal with the nation's finances. Let them stop procrastinating and let us start tackling immediately one of the most pressing problems for our future, namely public

finance. This is the reason why the Bloc Quebecois is going to vote against the motion.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I listened with great interest to the presentation made by my hon. colleague from the opposition. In his remarks, he attacks the federal government on the grounds that apparently, the federal government does not work in co–operation with the provinces.

In fact, this is exactly what this government is doing. With the Minister responsible for Intergovernmental Affairs, we are presently reviewing all federal programs to find out the best way of delivering these programs. If, for example, it turns out that the provinces are the ones in the best position to look after a given program, this program will be transferred to the provinces. If the most appropriate level of government is the municipal level, then the program will be transferred to the municipalities. That is how this program review works.

As for federal transfer payments, the problem we used to have in the past is that the provinces did not know from one year to the next how much they would be getting from the federal government. Our government has assured the provinces that arrangements will be negotiated to cover more than a year, at least five years, so that the provinces will know in advance how much they will receive from the federal government.

I can assure my colleague that, when he talks about education, whether the money comes from the federal, provincial or municipal government, the money all comes from the same place, out of the same taxpayers' pockets.

Social services programs do not require additional funding, but the system certainly needs to be simplified. Efficiency has to be improved and money spent more wisely, especially in education, where we spent $50 billion each year. This is more than in almost any other country in the world. All these programs must be assessed to ensure adequate program delivery. We must make sure that essential services, national services, remain national essential services. That is why a review is necessary.

If my colleague wants the federal government to introduce new programs, he is going to have to tell us where to get the money. However, the idea is not to turn off the tap, as our colleagues from the Reform Party are suggesting, and leave all existing programs as they are. How can one eliminate the deficit in this manner? They have yet to bring forth in this House a single proposal as to how they plan to eliminate the deficit within three years.

Mr. Fillion: Mr. Speaker, I will be brief. I am quite pleased with the comment that my colleague just made. He is ready to transfer programs to the provincial governments. They are analyzing them and want to disperse them either to the provincial or to the municipal level.

That is what Quebec has been asking for for a long time; that is what Quebec has been telling you for a long time, to eliminate duplication and return jurisdiction to Quebec and also to the other provinces. We quite agree on that.

Except that this government is not facing up to its responsibilities. Why? Because it is not making any decisions in this area. It is indecisive. Make some decisions and tell us what field of jurisdiction you want to return to Quebec and to the other provinces. That is what we want to do here.

The Liberal government should table a list of programs where overlapping is very expensive so that these programs can be administered directly by the provinces concerned. Do it and table it so that we can discuss it as soon as possible. Quebec could save $3.3 billion as a result. That is one reason we want a sovereign country.

• (1705)

The Deputy Speaker: Hon. members, before giving the floor to the member for Anjou—Rivière–des–Prairies, pursuant to Standing Order 38, I must inform the House of the questions to be raised tonight at the time of adjournment: the hon. member for The Battlefords—Meadow Lake—Northern Tax Allowance; the hon. member for Calgary Southeast—CRTC.

Resuming debate.

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, for someone who did not feel like speaking to Motion No. 17, my hon. colleague from Chicoutimi has delivered quite a passionate speech.

I, for one, am pleased to speak to this motion, which I would like to read for the benefit of the Canadians who are listening to us. It reads as follows:

> That this House take note of the opinions expressed by Canadians on the budgetary policy of the government and, notwithstanding the provisions of Standing Order 83.1, authorize the Standing Committee on Finance to make a report or reports thereon no later than December 7, 1994.

The committee was supposed to table this report on December 2. The motion under consideration asks us to authorize the committee to postpone this report until a later date. This will reduce the time allocated for consideration of this report. It is an old magic trick involving reducing the attention span of those who should be looking at this report, that is, the people of this country. This is one of the numerous magic tricks being used by the government to hide from citizens what they should see. Let me give you a specific example, a simple magic trick now being performed by the government.

We know how magic tricks are done in general. We know how they are performed but we still get fooled, so I will explain again for the benefit of the people. Magic tricks are always simple: the magician hides with the right hand what he wants to hide while moving his left hand to draw the public's attention. That is why people do not see what is really happening. What is the government holding in its right hand? Things that are totally amazing.

First of all, every year, the Auditor General of Canada tells us about the shameful waste of billions of taxpayers' dollars. Every year, it is the same story: we talk about it for two or three days before shelving these reports, then the cycle repeats itself.

There is also the issue of overlap, which my hon. colleague tackled just before me. The inefficiency cost of this overlap of federal and provincial programs was estimated at $3 billion per year in Quebec alone.

What lies under the right hand? Family trusts, where we find enormous amounts of tax–exempt money that the federal government refuses to disclose. There is no way to find out how much money is involved.

We also have tax havens. On this subject, in 1992, the Auditor General pointed out that many big companies had invested some $16 billion worth of profits in tax havens around the world, thus avoiding payment of their fair share of taxes. We are not talking about peanuts but about $16,000 million.

The right hand also hides smuggling rings whose traffic in cigarettes, alcohol, guns and drugs amounts to several billions of dollars every year. They are apparently unable to solve this problem.

Furthermore, the Auditor General has just told us about $6.6 billion in uncollected taxes.

Then there is the issue raised by the Liberal member for Gander—Grand Falls, who just wrote to the minister, to the effect that Canadian companies use a forward averaging provision to defer the payment of $40 billion in taxes.

In his letter, the hon. member also mentions that 1,200 companies with profits of over one million dollars do not pay taxes.

Then there is the Hibernia project. Huge amounts of money are poured into this project which will never be a profitable venture, and the government tries to keep that a secret.

There are also more mundane current issues such as the situation of CN's president, Mr. Paul Tellier.

• (1710)

Mr. Tellier, whose annual salary is $345,000 and who made cuts in CN services to streamline that corporation, received, on top of a $52,000 yearly allowance for petty expenses, an interest–free loan of $432,000 to buy a house, all this at taxpayers' expense. It goes without saying that Mr. Tellier's case is another issue which this government does not want to publicize too much. This is what the right hand is doing.

Then there is the case of Gary Anstey, which was discussed today and yesterday, during question period. After four months on the job, Mr. Anstey, who was executive assistant to the Minister of Fisheries, received a severance pay of $31,000. Mr. Anstey was rehired last month at a salary of $93,000 per year. He kept the severance pay, even though he voluntarily quit his job.

As you know, people who have a job and who voluntarily leave that job do not get any UI benefits. Yet, the executive assistant of the Minister of Fisheries got $31,000 from taxpayers. Fishermen in the Gaspe Peninsula certainly have the right to wonder who the real suckers are.

Then there is Operation William Tell, during which the Canadian Armed Forces had a good time in Florida, from October 10 to 23, 1994, with artillery pieces worth $395,000 each. Always in Florida; all this sun is good for the army. There is also a statement made by Mr. Yves Séguin, a prominent tax expert and a former minister in the Bourassa government, who said, not long ago: "In 48 hours, I would get $3 billion for the federal government by imposing a two per cent tax on shares".

Meanwhile, the left hand is getting a lot of exercise. They have to explain to the public what they are going to do to deal with the problem of our public finances which are, as you know, in a parlous state. It seems that the real problem in Canada, and the Prime Minister said so himself, is those beer drinkers slumped in front of their television sets, people who are totally unproductive. This includes all those unproductive people who lost their jobs at Hyundai, at CN, at CP, at MIL Davie in Lauzon, the refineries in Montreal, fishermen in the Gaspé who cannot go fishing any more because there are no fish, and miners who cannot go down into the mines because the money is being used to operate mines in Chile or somewhere else. So all these people are drinking beer in front of their TVs and that is where the cuts are going to be made.

They are going to traipse all over Canada, the MPs, the press, the media and they are going to ask people: "What do you think is the best way to cut these people's benefits?" They will cut unemployment insurance, cut welfare benefits, raise students' tuition fees, cut transfer payments to the provinces. They keep waving their left hand but never say what the right hand is doing.

Meanwhile, our social fabric is starting to unravel. People feel somewhat frustrated. So, as we saw yesterday in Toronto and as we saw not so long ago in western Canada, people are starting to fill the halls every time they organize meetings of committees on social programs. People are invading the halls and taking over the meetings from their members. They are saying: "Now you are going to listen to us". There is a basic feeling of frustration.

We also had students who demonstrated here on the Hill, at least 10,000 of them, and they told us they were not prepared to pay for the sins of others and pay the full shot, on top of that. These may not be huge demonstrations, but I may remind you, and you were probably there, that huge demonstrations are not necessarily the most effective ones. I remember an extraordinary demonstration held on Parliament Hill a few years ago, a demonstration by one person. This person went to the Prime Minister at the time, the Hon. Brian Mulroney, and told him: "If you touch our pensions, Brian, goodbye Charlie Brown!" That sent a shiver through the government. So I hope we will not be hearing that on the Hill.

Of course, some people are prepared to explain how this trick works, and they actually do that. There are at least two Liberal members, the hon. member for York South—Weston, for instance, who told us that for ten years they were in the opposition and they condemned what the Conservatives wanted to do, which was to cut the deficit at the expense of the most vulnerable. That is exactly what they are doing. I may remind you that the hon. member for York South—Weston is not a member of the Bloc Quebecois. He is a Liberal member. There was also the hon. member for Gander—Grand Falls, to whom I referred earlier, who at the end of his letter to the minister gave an excellent summary of our proposal, and he put it in these words: As you can see, you can get the billions you need simply by collecting taxes owing by the corporations that are making the biggest profits and do not pay taxes. That is also the position of the Bloc, and we will vote against the motion.

• (1715)

Mrs. Eleni Bakopanos (Saint-Denis, Lib.): Mr. Speaker, I am somewhat surprised to hear the Bloc, the opposition, say the same thing over and over. They keep saying that this deficit reduction effort will be at the expense of the disadvantaged, yet they have no positive alternative plan to reduce this deficit we are faced with.

I would have a question for the hon. member. I would like him to suggest some truly specific ways of bringing the deficit down to three per cent of the gross national product, as we have promised to do and the Minister of Finance fully intends to do. I would really like him to tell us how exactly, within our global budget, as relates to social programs in particular, we could manage to streamline this deficit we are struggling with at present.

An hon. member: We are all ears.

Mr. Pomerleau: Mr. Speaker, I have just given a ten minute speech on the subject. I do not know if my hon. colleague paid close attention to what was said.

An hon. member: Of course I did.

Mr. Pomerleau: Let me simply read this specific suggestion back to her, a suggestion coming from the Liberals themselves, from the hon. member for Gander—Grand Falls: go and get the $9 billion you need in the pockets of those who do not pay their taxes. Start there and see what will happen after that.

The Deputy Speaker: The hon. parliamentary secretary has 30 seconds to ask a question or make a comment.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, in my opinion, the hon. member did not answer my colleague's questions. We have put forth a proposal through the Minister of Human Resources Development, to receive feedback from the public. We would like to know what the Bloc has to suggest.

The Deputy Speaker: The hon. member has approximately 30 seconds to answer.

Mr. Pomerleau: Mr. Speaker, here is a suggestion, the simplest one I can find in here: give us the exact amount, the exact current amount, of capital invested in family trusts in Canada.

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, it is my pleasure to participate in this debate.

I intended to review some of the background of the consultation process but in view of the drift of the debate in the House I want to speak about specifics.

I would at least like to highlight some of the principles that the finance minister has articulated to the members of the House and to the Canadian public. He said that in approaching our budget for this year deficit reduction indeed is part of our overall strategy for jobs and for economic growth. He also stressed that fairness is paramount so that the most vulnerable in our society will not be left behind.

I think it is an extremely important part of the budgetary process to ensure that whether it is the social security review, the review of our social safety net, or whether indeed it is part of the budgetary measures, we are constantly going to focus on the needs of those who are most needy in our society first.

He also said that the deficit reduction must be selective and strategic, clearly reflecting our priorities. He said that budgetary action should weigh on the side of cuts in expenditures and not, and I stress not, on increased taxes.

Finally he said that the economic assumptions must be prudent to stimulate confidence so that our deficit targets would in fact be achieved. As you know, Mr. Speaker, a problem of former governments was setting targets that never were achieved.

• (1720)

I commend to all members and all Canadians the book *Canada's Economy: What Past, What Future?* This workbook which has been prepared by the Canadian Foundation for Economic Education is available to all Canadians in all public places; post offices, grocery stores, et cetera, and even through

their members of Parliament. I find, having gone through this a couple of times, that this is an excellent layman's language discussion on the kinds of issues that the government is addressing today in dealing with the challenges of balancing our budget over the coming years.

In the last couple of hours there has been quite a bit of discussion about whether or not the deficit should be eliminated in three years, whether it should be five years or whether it should be ever. These, as members well know, are the same discussions that went on during the last election campaign. I think that the Canadian people made their choice, a very clear choice.

Members may recall that the Conservative government proposed that it was going to eliminate the deficit in five years. The Reform Party said it would do it in three years. It was almost like a bidding war. The Prime Minister said during the election campaign that we have to be realistic, picking targets which are achievable within the time frames that are available to the government.

The Prime Minister made a commitment in his election platform that his government would achieve a deficit reduction strategy which would achieve 3 per cent of GDP by the end of the third year of the mandate. We are on target now. The minister has assured the House and Canadians that we will continue to introduce whatever changes are necessary to make sure that we stay on track and that we meet that target.

That means that by the end of the third year our deficit will reduce to some $25 billion. That is only an interim target. By the time that third year is over and we have hit that $25 billion target Canadians will have before them a further strategic plan for the next period to balance the budget for Canada.

Yet today the leader of the third party comes again to the House and reiterates: "We could do it in three years: We could slash that deficit".

I was at the finance committee when the Reform Party presented its program. I was astounded that of the $40 billion deficit the Reformers just said: "Here is our plan". They started off saying that $18 billion of the $40 billion deficit was going to be eliminated by economic growth. That has absolutely nothing to do with the Reform Party. It has to do with the initiatives that have been taken within our country to ensure that we stimulate economic growth in Canada. The Reform Party is somehow taking credit for some $18 billion reduction in the deficit.

The Reformers then went through a mathematical exercise to identify areas where they would cut. Not one explanation, not one rationale of how that would impact on the delivery of the services of those areas that they were going to cut; not one analysis or statement as to the impact on jobs for Canadians; indeed, not one indication of what that might do to the economic confidence that Canada has been developing over this period since the election.

The Prime Minister yesterday said in the House, and I quote: "If tomorrow we were to eliminate the deficit, $42 billion to zero, there would be a huge recession in Canada. The wise thing is to do it in a progressive way". I think that is the fundamental difference between the approach of the Reform Party and of this government, that we do have to keep control, we have to keep things in perspective.

I want to move on because I know that my time is very short. I want to share with Canadians a few facts which I think they may find interesting as they go through their assessment of where we are and the kinds of things that we should do. One of the key areas in which Canada would like to make progress and our budget would intend, and indeed our social security review, is to help Canadians to acquire skills. We have to help Canadians acquire skills to get jobs, to keep jobs and to find better jobs.

As Canadians know there has been much debate and much discussion about potential cuts in funding for post–secondary education. I want to share some figures.

Last year there was a 19 per cent growth in jobs for those who had a post–secondary education. At the same time there was a 17 per cent decrease in jobs for those who did not have a post–secondary education.

• (1725)

All of the experts say that over the next decade 45 per cent of all new jobs will require a post–secondary education. The government has included these facts, figures and initiatives in its priorities because our young people who are now in school must be given every incentive and opportunity to continue their education. We do not want them to be sitting on the curb watching the rest of Canadians go by.

During the 1990 to 1993 period, 190,000 jobs were lost during the recession. However, if we look very carefully at how that is composed, we find that 640,000 jobs were lost for Canadians who had a high school education or less. Offsetting that, 450,000 jobs were gained during the recession by those who had a post–secondary education. I think that indicates to all Canadians how important that education component is in terms of our overall strategy for Canada in the coming years.

The next area I want to share with hon. members is an analysis I did of taxation from 1992 as to who paid how much taxes and when. I found it very interesting that the top 10 per cent of taxpayers made $50,000 or more. That means if someone made more than $50,000 in 1992 they were in the top 10 per cent of Canadians. Interestingly enough, that top 10 per cent of Cana-

dians, approximately two million, contributed 32 per cent of all taxes paid and 44 per cent of all charitable donations.

When people start discussing should we tax more, should we raise our tax rates or should we go after the rich, they should first understand that they are talking about people who make over $50,000 and there are only 10 per cent of them.

Second, they have to understand that they already paid 32 per cent of all taxes and of their disposable income they are the major contributors to charitable donations. I find that very, very important to understand when we start discussing whether or not we should for instance cut RRSPs. At the $50,000 level one cannot even contribute more than $9,000 to RRSPs. Therefore, if the level were reduced we are basically talking about reducing it only for those taxpayers who are making much more than $50,000. Those things will have to be taken into account as we discuss the measures with regard to RRSPs.

With regard to matters such as employer paid health benefits, that has come up. Eight million employees receive employer paid health benefits tax free. The fairness of that has to be assessed.

Today in the newspaper it was reported that the mayor of my city, Mississauga, said that if the government raises taxes it is going to force more people into the underground economy than it has now. It is also going to force people to withhold taxes. I agree with the first statement but not with the second one.

With regard to the underground economy, there is no question about that. If we make serious and tough but fair cuts as a result of this budget there is no question that there will be increased pressure on the underground economy. As a result, I believe the government should as part of this consultation, and I hope members will consider this, have a parallel defensive measure to ensure that there is no increased pressure on the underground economy.

I have many more things to say but I will—

The Deputy Speaker: Order. The hon. member for Fraser Valley West.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the hon. member says Reform is taking credit for assuming some $18 billion in growth. On the other hand, the hon. member says the economy has grown since the Liberals were elected, taking credit for that of course.

I would ask the hon. member if he thinks that any growth in the economy to date is really due to the natural business cycle and not to the accomplishments of his Liberal Party? Surely he does not think that way. I would like him to try to express himself a little better as far as the business cycle as opposed to what the Liberal Party has done and forget the red book rhetoric.

• (1730)

Mr. Szabo: Mr. Speaker, I am astounded that the member would not give some credit to what has happened in Canada since the election. One of the most important ingredients to growth in the economy is the confidence of the Canadian people, of the lending community and of business.

Three hundred and twenty–seven thousand jobs have been created since the government came to power. Much of that has to do with the confidence and credibility the Prime Minister has brought to political life, which the member enjoys as well. The hon. member should give credit where credit is due.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I must agree with my colleagues in the Reform Party this time. The Liberal government has done nothing at all for the economic recovery. On the contrary. A few weeks after Mr. Martin tabled his first budget, interest rates shot up. That is why we will have to pay $2.7 billion more for interest alone.

Not only the finance minister's credibility, but the measures he advocated in his first budget did not help the economic recovery and job creation; rather, they hurt economic growth and the growth of employment. If he had taken effective—I would say tougher—measures on February 22, more jobs would have been created and the financial picture would have been much better in the last few months.

I ask him where the Liberal Party contributed to greater growth, when everyone says that it has not in the past six months?

[*English*]

Mr. Szabo: Mr. Speaker, the member knows that the Government of Canada does not control global interest rates. The member is an economist. He knows the national debt is denominated in long rates, not in short. The Bank of Canada has influence only on the short end.

He is somehow suggesting the government has not done anything with regard to those rates. He is living in a fantasy world that somehow the government flips switches to make things happen. He knows interest rates have risen and are higher than the assumptions that were included in the finance minister's previous budget.

The finance minister has made corrections to ensure he meets his targets. That is responsible government. The finance minister understands the economy much better than the hon. member.

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is with considerable pride that I stand in the House today to make my submission to the first significant prebudget consultation

process in Canadian history. On behalf of the constituents of Vancouver South I want to thank the Minister of Finance for this opportunity to express our views.

Let me begin by saying that there continues to be a tremendous amount of confidence within my riding for the Liberal plan for reducing the deficit to 3 per cent of GDP by 1996–97.

As many have remarked in the House before, this 3 per cent target serves as one of the major benchmarks for entry into the European Union. It is also a target that has not been achieved in Canada in 20 years. Still there are those on the opposition benches who continue to argue this 3 per cent target is not tough enough.

What is indisputable is that the Liberal government made a promise to the Canadian people on October 26, 1993. We promised Canadians we would meet this target within the specified time. Then we would begin our ultimate objective, the complete elimination of the deficit. I would like to quote the Minister of Finance: "Come hell or high water we will meet this promise to Canadians".

Recently the Reform Party attempted to bring some credibility to its original zero in three claim, which I know is very difficult for it to do. I am glad that today the leader of the Reform Party has changed that zero in three to zero in five, to do it in five years. He is learning that our goal is much more rational and balanced. He has moved from a zero in three approach to a zero in five. I ask my colleagues to check the record.

• (1735)

The members of the Reform Party have outlined a remarkably vague and draconian plan to cut a number of government programs. All one has to do is read the Edmonton *Journal* which is often quoted on the other side to understand about what has been brought forward.

This plan along with the announcement of more brutal cuts to come to programs like post–secondary education and old age pensions demonstrates what I will call the half–marble approach to deficit reduction, an approach that only deals with half of the whole solution. Dealing with the deficit in Canada requires a two–sided approach: decreasing government expenditures by streamlining programs and services and increasing government revenues by promoting a healthy and vibrant economy.

Trying to solve Canada's economic problems through extracting $25 billion from the economy in two years without any plan for economic growth is like trying to roll half a marble. Like the marble, it is an idea that will not go very far.

Further, anyone who believes that government revenues will not be seriously diminished through a plan which, while cutting regional development spending, also cuts Canada's social security system is not only trying to roll half a marble but is not playing with all the marbles.

If members take a moment to look at the plan of the Reform—I do not know from where it gets its economics—it thinks that by cutting $42 billion over three years that will somehow create great confidence in the economy and will create jobs. Then everybody will be spending money and we will get a tremendous amount of growth. The Reform Party has a lot to learn. What we are presenting is a much more balanced and rational approach. Canadians see that.

Recently I took the question of how to solve some of Canada's economic problems back to small business owners in my riding through the venue of a public policy forum. I would like to share some of their valuable ideas with the House today.

Overall, my constituents have requested that the budget continue to reflect the commitment of the government to promoting the health and growth of Canada's small business community. I am sure all my colleagues would agree with that.

With regard to access to capital, my constituents feel that the federal government should introduce strong measures to ensure that Canadian financial institutions are more equitable and accountable to small business owners.

With regard to federal deficits, my constituents feel that the federal government should do everything possible to find areas of waste and overlap, duplication and extravagance and eliminate them immediately. I know I will get lots of support from the other side on that issue. In terms of government expenditures on programs and services, there is considerable support among my constituents for the extensive program by program review currently under way.

With regard to taxation, they felt that the federal government should begin reducing the tax burden on average Canadians through a reduction in personal income taxes. It should begin harmonizing and simplifying the tax system so as to decrease administrative costs, expensive paper burden and overall taxation. It should lower payroll taxes through savings made through the UIC system. It should give serious consideration to the recommendation made by the Canadian Federation of Independent Business and supported by the region's small business working committee to increase the small business tax deduction to $400,000 from $200,000.

As I have noted before, this measure has not been adjusted since 1982 when it was first introduced and should be increased to the rate of inflation.

With regard to the most effective role for government, small business owners stated that they want their governments to offer a hand up not a hand out. They feel that the best route to take is not through grants, subsidies and expensive tax deductions, but

through addressing wide ranging concerns such as interprovincial barriers and global trade.

• (1740)

They feel that government should promote a healthy business environment with low taxes and minimal regulations and that they should support the business sector in meeting their own needs in job training and knowledge networks.

They feel that the federal government should target businesses operated by Canadians with special needs but should do so by reallocating current budget expenditures, not by making further expenditures.

With regard to women in small business, my constituents feel that the federal government should give serious consideration to a system of affordable national day care, allowing more women the freedom to begin small businesses. This can be done either directly through the federal government or with government support. They feel that the federal government should find ways of offering training which will help female entrepreneurs get started and expand their business operations.

In conclusion, there was a reason I went to my constituents for their advice. I knew the government was listening to Canadians. For the first time in Canadian history a government has gone to the people for their input on the budget before the budget is introduced. For the first time the government is making a genuine attempt to include Canadians in the decision making process that will affect them. These prebudget consultations, like the other extensive government consultations currently under way, are part of the Liberal election promise to do things differently, to make government more inclusive and to make government more responsive.

We promised to listen to Canadians and that is exactly what we are doing. I am proud to be a part of this government.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I would like to talk in terms of marbles to the hon. member. I could say he has lost some but he has not. He is talking some of the talk but that is really all it is. I want to ask him a question about the infrastructure program.

The government is faced with a $40 billion deficit. One of the answers to resolve this situation is to create an infrastructure program. The infrastructure program uses $2 billion tax dollars from the municipal level, which the municipality gets by taxing people on their residences and so on. Then the infrastructure program uses another $2 billion from the provincial government which it gets from the same taxpayer. Then the federal government throws in $2 billion to make $6 billion. It all comes from the same taxpayer.

I would like the hon. member to explain the logic of another $6 billion out of the taxpayers' pocket as a positive influence in trying to balance a budget of $40 billion deficit a year.

Mr. Dhaliwal: Mr. Speaker, I want to thank my hon. colleague for a very good question. There is a very good answer for that question.

Some time last year I was in Singapore and I had an opportunity to look at some of its infrastructure program. As many members know, Singapore has been a miracle of economic development over the past few decades. It is a model that other countries have looked at.

The reason that country has been so successful is because it has an incredible infrastructure program. It had a vision.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I would like to ask the member a quick question. I have not heard any response other than the fact that we are going to meet this goal that is so easy to achieve, of 3 per cent of GDP. Three years from now we will only have a $25 billion deficit at which time we can bring in new ideas and all that sort of thing.

• (1745)

The IMF, the *Globe* and many economists nationwide indicated recently that it was not nearly good enough, that it was going to be a failure. They do not seem to read the newspaper or they do not pay attention to what they read. It is one or the other.

There does not seem to be any mention of the fact that in three years the debt is going to be another $100 billion deeper in the hole. They do not seem to take into account that the interest on the debt will go from $40 billion a year to probably $50 billion a year, unless interest rates keep going the way they are.

I would like the member to address the future in that sense.

Mr. Dhaliwal: Mr. Speaker, I agree with my hon. colleague that the debt is going to increase. However, we have to make sure that we deal with the deficit before we can deal with the debt issue. That is what we are doing in a reasonable, common sense approach.

If we say we will do it within a year, I guess if we cut every program in government it could be done within a year. But what would be the long term cost of that? It could be done in two years if we wanted to cut every program. We would have to look at the cost of the programs.

Let me respond to the question of my hon. colleague. I am sure he is willing to listen to my response. In our cultural industry and scientific community it takes years to build infrastructure. They do not pop up from nowhere. We as the government are not going to cut them wholesale, which would cause serious problems in the future.

It is the same with our social programs. We can ignore and cut our social programs, but what price do we pay in the future? I ask the hon. member to look at the future cost of cutting those programs because in the end we will have to face the social costs.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I only have one very simple comment, since unfortunately I must admit that I missed the beginning of the speech by my hon. colleague, the parliamentary secretary to the fisheries minister.

Since he is responsible for fisheries, instead of talking to us about big infrastructure programs, I would have liked him to tell us, in his area, his department, what he will suggest to his boss, the Minister of Fisheries and Oceans. Since the Department of Fisheries and Oceans is to be reorganized, what kind of reorganization does he foresee? The provinces are expecting cuts but also policies.

[*English*]

Mr. Dhaliwal: Mr. Speaker, I thank the hon. member. Unfortunately he missed the first half of my speech. It was an excellent part of my speech. I know he will not do that again.

I will be telling the minister, and I am very happy to share it with the member, that we need to look at duplication. We need to look at the overlap between the provinces and the federal government. We need to look at that to see if we can save money by dividing some of the responsibilities. Let us have a look at them. We will look at the different departments.

Is there something in the coast guard? Can we amalgamate the services of the coast guard fleet with the department of fisheries fleet to create more efficiency? Can we consolidate those services so a better job can be done in a more efficient and effective way?

I will be telling the minister that we need to look at small craft harbours. Maybe we can privatize them. Maybe they can be privatized at a much lower cost than for us to continue holding on to them.

I will be advising the minister that we have to look at overlap. We have to look at duplication, not only between the provinces and ourselves but between the different departments like the Department of the Environment and the coast guard. Let us see what services we can consolidate and save money.

Why should we have within a mile fleet maintenance services for the coast guard and close by one for the Department of Fisheries and Oceans? It does not make sense.

We have to look at the common sense approach. We need to look at overlap and duplication. I hope the minister will listen to what I have to say because coming from the business sector I can provide some good advice on saving money for the taxpayer.

The Deputy Speaker: The bells will ring at 6.05 p.m. so if the two colleagues in the Reform Party would like to divide their time perhaps it would work.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I say to the hon. parliamentary secretary to the minister of fisheries that the government had better soon decide whether it is going to fish or cut bait. He should stick around; he may learn something. Here we are in 1994. We have an overtaxed worker and we have a frustrated taxpayer, all of whom depend on us to relieve them of their concerns.

• (1750)

I listened to the comments today. A Liberal member suggested that because they were in office the economy was growing and we were doing well. Let us imagine how the worker in British Columbia, Nova Scotia, Newfoundland or elsewhere across the country thinks about the rhetoric in Ottawa. His pockets are empty. He is overtaxed and he is frustrated. It is abysmal that they can stand here and talk about how well we are doing.

We are not doing well, folks. We owe $40 billion. We have a debt load of $530 billion. We cannot delay any longer the implementation of a tough budget. We often talk about the baby boomers versus generation *x*, the next generation so labelled after us. To some extent the generation of baby boomers has been a fairly unrealistic group. We have overspent the last 20 years. Now we are whining about the fact that we have to cut. That is exactly what is going on across the way. They are whining.

We in this party have the courage to come up with a plan. That is exactly what we are doing and what we are going to proceed with. They can whine as much as they like. We are right and they are wrong. It is as simple as that. I think fish or cut bait should apply not only to the Minister of Fisheries and Oceans but to everyone sitting across the way.

One of the jobs I have in the Reform Party is to look at regional development grants. That is what I want to talk about today. Many of my colleagues have spoken about areas in their expertise, in their portfolios, but regional development grants are of particular interest. They represent about $1.3 billion. We are advocating the phase–out of regional development grants.

ACOA is one of them. The Atlantic Canada Opportunities Agency has a budget of about $376 million. I spoke about blueberry research the other day and a Liberal member commented. He said: "I am sick and tired of hearing anti–Atlantic Canadian comments coming from members of the Reform Party".

That is clearly not the case. Regional development grants are located in Atlantic Canada through an organization called ACOA, in western Canada through an organization called West-

ern Economic Diversification, and in Quebec through an organization called FORD–Quebec. FORD–Quebec has a budget of $437 million each year of taxpayers' dollars to give out in its area and Western Economic Diversification has $452 million.

A taxpayer sits in his home and says: "I am going broke. The taxes are more onerous every day. How am I going to survive?" And the government says: "That is okay. We cannot look at these programs because they are regional development programs and we best know how to spend your money". That is basically the way it is.

These agencies have about $1.3 billion to know how best to spend taxpayers' money. I will go through some of the ways in which they spend the money and give some examples later.

The concept of regional development grants, as I understand from the government, is that it wants to support and promote opportunity for economic development and to foster development of entrepreneurship. That is an interesting one. A fellow who was given the entrepreneurial award of the year in one of the regions had six or seven grants from a regional economic development organization. I do not know what the Liberal concept is of an entrepreneur, but to me it is somebody who does not live off the taxpayers' dollars, who does not get any grants whatsoever. It is somebody who has done it on his own. He is not counting on government. They are not fostering the development of entrepreneurship in regional development grants. It is not happening. That is contrary to the concept, but the award was good.

• (1755)

One concept is to increase the rate of new business formation and another is to improve the competitiveness of small and medium sized enterprises. We have done a lot of research into regional grants. How does one improve the competitiveness of a small or medium sized business in an area when the government comes along and says: "Just a minute. You want to update a motel. Here is $67,000 for you", and the next motel says: "Wait a minute. What about me?" The government says: "There is none for you; this is going to be a competitive world".

He walks away with $67,000 profit from the taxpayer. It goes out of the taxpayer's pocket to somebody else. That does not improve competitiveness and is why we have to start eliminating regional development grants. I am sure we will have a great debate on this matter, because that is not the way the government thinks.

The concept of entrepreneurs does not include government handouts, at least where I come from. If we ask businessmen in my community what an entrepreneur is, they will tell us that it does not include government money.

We all know that Canada has a serious problem. We all know the Liberals are facing a $40 billion deficit. They are overspending each year. We know they have to cut it. They know they have a $530 billion debt and the interest on that debt is increasing by the day, by the hour, by the second.

What are they going to do about it? They are going to close the gap. They are going to get it down to 3 per cent of gross domestic product. That is around a $26 billion a year deficit. Imagine going to the bank, paying our bills on more and more debt, and the Liberals are saying: "We are going to look after that, folks. We are going to bring it down to about $26 billion a year". That is insufficient.

Over a short three–year period let us look at what we will have. We could look at four years or over the whole mandate. We are adding to the debt load in excess of $100 billion.

Who will pay for it? Our children will. If we think of nothing else in the country, we have to think of the little ones behind us. We have to think of the ones in university who are wanting to get out and get jobs. Jobs are stifled by business being overtaxed and by debt load. We have to give them something to look forward to. It is time to make some tough decisions. We know they do not like zero in three. We know they do not like to fish or cut bait, but we know they have to deal with the problem.

The average taxpayer uses a litmus test when he hears about giving a grant to any organization. A civil servant from the Department of National Revenue knocks on the taxpayer's door and says: "The motel down the street needs $67,000 to upgrade its facilities. Would you give us $3 out of your pocket to do that?" The individual would wonder why he would give him money out of his pocket and would ask: "Does he not make a profit? If he does not make a profit should he be in that business? I do not have $3 anyway so I really have to borrow it".

What will the individual say? He will say: "No, I need that money. I am not going to the bank to borrow it and give it to you". That is exactly how the taxpayer feels.

• (1800)

The government has taken it upon it itself to make the decision on behalf of the taxpayer to give out the taxpayer's money to projects he does not agree with. I only have a minute so let me mention a few: $38,000 to acquire fencing and improve a go–cart race track; purchase of equipment for a luxury tour and outdoor recreation, $15,000; purchase and renovate an inn to higher quality; acquire office furniture and computer equipment; construct a two bedroom cottage; and to refurbish an existing cottage. If we ask the taxpayers they will say: "No. If you want that then you earn your own profit and you upgrade your own facility".

I would love to say more but I am out of time. It is time to fish or cut bait over there.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I want to congratulate the member for finally coming out of the closet in front of the entire House, declaring that he is a baby boomer that is.

The member continues to mention that we have a deficit and we have a debt. Hypothetically if the Reform Party had formed the government over $100 billion of additional debt would have been incurred even with their plans. It is almost as if there would be absolutely nothing happening.

The member said this very large debt was accumulated over the last 25 years by the baby boomers and that they are the ones who are going to have to pay it back. I wonder if he would care to comment on whether he feels that seniors were in any way responsible for any of this debt. Does he feel that seniors should pay some portion of that debt?

Mr. White (Fraser Valley West): Mr. Speaker, do you know who is responsible for this debt? They are sitting in here. The politicians in this place are responsible for the debt. The Liberals and Conservatives are responsible for this country's debt regardless of their age. Do not blame it on the average taxpayer. It is politicians, the ones sitting right in here.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I will try to be brief. The point I want to make to the hon. member from western Canada is that we are not only separated by distance: We also have diverging views on economic development.

Economic development in the east means something specific, whether it is in Quebec or in the Maritimes—I do not want to speak for the Liberals, they are quite capable of digging a hole for themselves. It is a development tool to help people; for example, instead of providing transfer payments and social assistance, you give people tools to look after themselves.

In this respect, I wish the hon. member would be careful when addressing easterners.

[*English*]

Mr. White (Fraser Valley West): Mr. Speaker, once again I have been informed to be careful about how we talk about the east. I thought I opened this up with the Western Economic Diversification Board, Quebec and ACOA. The facts are that a lot of the dollars given out as grants in all three of these all across the country are not serving the purpose for which they started out, the concept which I described earlier.

Please, let us not get into being careful how we talk about Atlantic Canada, or Quebec, or western Canada. It is the concept that we have to look at, the larger picture of economic development in this country. Is the money better off in the hands of the taxpayer or in the hands of the politicians?

The Deputy Speaker: Resuming debate. The hon. member for Wild Rose will end the debate in about two minutes.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, my speech was prepared for a lot longer than two minutes but I will try to reduce it.

The basis of this whole topic which bothers me is that it appears the government does not realize we are out of time and that we cannot afford Cadillac services any longer. We have to take a step backward. We have to drop the frills. It is time to trade in the Cadillac for a smaller car and realize that the days of wine and roses are over.

It amazes me. We asked for a simple thing. It would be a nice gesture on the part of the government to give up $10 million a year. Maybe it could go to the hungry children that the minister of human resources keeps talking about. It would be a good gesture. From the Bloc, from the Liberals and from everywhere else but the Reformers we hear: "No way, we are not giving up the good old pension plan, not for a moment. It is the rest of the country that has problems. Let them figure out what they are going to do. We do not want to do anything".

I look around the Hill and I see those blue cars courting ministers wherever they want to go. There are green buses that will take us any place we want to go on the Hill.

I understand that if they were willing to sacrifice a little, they each could cough up $45,000 a year that would really go well in the hands of the Children's Aid Society in Ottawa or Toronto. That is the kind of attitude I would like to see.

[*Translation*]

The Deputy Speaker: It being 6.05 p.m., it is my duty pursuant to the order passed on Thursday, November 24, 1994, to interrupt the proceedings and put forthwith the question necessary to dispose of Motion No. 17 now before the House.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Call in the members.

And the division bells having rung:

• (1825)

[*English*]

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that we proceed with the vote on Bill C–57 and then proceed with the vote on Motion No. 17.

[*Translation*]

The Deputy Speaker: Is there unanimous consent to proceed in that fashion?

Some hon. members: Agreed.

* * *

WORLD TRADE ORGANIZATION AGREEMENT IMPLEMENTATION ACT

The House resumed from November 29, consideration of the motion that Bill C–57, an act to implement the agreement establishing the World Trade Organization, be read the third time and passed.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 121*)

YEAS

Members

Alcock
Anawak
Arseneault
Asselin
Bakopanos
Beaumier
Bellemare
Bernier (Gaspé)
Bertrand
Blondin–Andrew
Bonin
Bridgman
Brown (Calgary Southeast)
Brushett
Bélisle
Canuel
Catterall
Chan
Chrétien (Frontenac)
Cohen
Culbert
Dalphond–Guiral
Debien
Deshaies
Discepola
Dubé
Duhamel
Duncan
Eggleton
Fillion
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Grose
Hanger
Harb
Harper (Simcoe Centre)
Harvard
Hill (Macleod)
Hopkins
Ianno
Irwin
Jennings
Knutson
Langlois
Lavigne (Beauharnois—Salaberry)
Lebel
Lefebvre
Leroux (Shefford)
Loubier
MacLaren (Etobicoke North)
Malhi
Manley
Marchi
Massé
McGuire
McLellan (Edmonton Northwest)
Mercier
Mifflin
Mills (Red Deer)
Morrison
Murray
Nunez
Pagtakhan
Paré
Penson
Peterson
Pickard (Essex—Kent)
Plamondon
Proud
Regan
Rideout
Ringuette–Maltais
Rompkey
Serré
Silye
Speller
St. Denis
Stewart (Brant)
Stinson
Szabo
Thompson
Torsney
Vanclief
Verran
Walker
Whelan
Wood
Zed—185

Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre)
Barnes
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bethel
Bodnar
Boudria
Brien
Brown (Oakville—Milton)
Bryden
Campbell
Caron
Chamberlain
Chatters
Clancy
Cowling
Cummins
Daviault
de Savoye
Dhaliwal
Dromisky
Duceppe
Dumas
Dupuy
English
Finestone
Frazer
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Grey (Beaver River)
Guarnieri
Hanrahan
Harper (Calgary West)
Hart
Hermanson
Hoeppner
Hubbard
Iftody
Jacob
Kirkby
Landry
Laurin
Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loney
MacAulay
Maheu
Maloney
Manning
Martin (Esquimalt—Juan de Fuca)
Mayfield
McKinnon
McWhinney
Meredith
Mills (Broadview—Greenwood)
Mitchell
Murphy
Ménard
O'Reilly
Parrish
Payne
Peters
Phinney
Pillitteri
Pomerleau
Reed
Richardson
Ringma
Robichaud
Schmidt
Shepherd
Solberg
St–Laurent
Steckle
Stewart (Northumberland)
Strahl
Thalheimer
Tobin
Tremblay (Rosemont)
Venne
Volpe
Wells
White (Fraser Valley West)
Young

NAYS

Members

Althouse
Blaikie
Robinson
Taylor—7

Axworthy (Saskatoon—Clark's Crossing
de Jong
Solomon

PAIRED—MEMBERS

Augustine
Bevilacqua
Caccia
Cannis
Crête
Guimond
Lee
Marleau
Patry
Rocheleau
Sheridan

Bachand
Bouchard
Campbell
Collins
Guay
Lalonde
Marchand
Nault
Picard (Drummond)
Sauvageau
Tremblay (Rimouski—Témiscouata)

[*English*]

The Deputy Speaker: I declare the motion carried.

(Bill read the third time and passed.)

* * *

BUDGETARY POLICY

The House resumed consideration of the motion.

Mr. Boudria: Mr. Speaker, a point of order. I believe you will find that the members of Parliament who just voted on the previous motion could be recorded as having voted on the next motion, with Liberal members voting yea. The whips of other parties will indicate how their colleagues are intending to vote.

The Deputy Speaker: Is there unanimous consent to proceed as proposed?

Some hon. members: Agreed.

[*Translation*]

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members oppose this motion.

[*English*]

Mr. Silye: Mr. Speaker, I think you will find all the Reform Party members present today will vote yea.

Mr. Solomon: Mr. Speaker, as the New Democratic Party caucus whip, New Democrats in the House today vote no.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 122*)

YEAS

Members

Alcock
Anawak
Arseneault
Axworthy (Winnipeg South Centre)
Barnes
Bellemare
Bethel
Bodnar
Boudria
Brown (Calgary Southeast)
Brushett
Campbell
Chamberlain
Chatters
Cohen
Culbert
Dhaliwal
Dromisky
Duncan
Eggleton
Finestone
Frazer
Gagliano
Gallaway
Goodale
Gray (Windsor West)
Grose
Hanger
Harb
Harper (Simcoe Centre)
Harvard
Hill (Macleod)
Hopkins
Ianno
Allmand
Anderson
Assad
Bakopanos
Beaumier
Bertrand
Blondin–Andrew
Bonin
Bridgman
Brown (Oakville—Milton)
Bryden
Catterall
Chan
Clancy
Cowling
Cummins
Discepola
Duhamel
Dupuy
English
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Grey (Beaver River)
Guarnieri
Hanrahan
Harper (Calgary West)
Hart
Hermanson
Hoeppner
Hubbard
Iftody
Irwin
Kirkby
Lavigne (Verdun—Saint–Paul)
MacAulay
Maheu
Maloney
Manning
Martin (Esquimalt—Juan de Fuca)
Mayfield
McKinnon
McWhinney
Mifflin
Mills (Red Deer)
Morrison
Murray
Pagtakhan
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringma
Robichaud
Schmidt
Shepherd
Solberg
St. Denis
Stewart (Brant)
Stinson
Szabo
Thompson
Torsney
Verran
Walker
Whelan
Wood
Zed—143
Jennings
Knutson
Loney
MacLaren (Etobicoke North)
Malhi
Manley
Marchi
Massé
McGuire
McLellan (Edmonton Northwest)
Meredith
Mills (Broadview—Greenwood)
Mitchell
Murphy
O'Reilly
Parrish
Penson
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Ringuette–Maltais
Rompkey
Serré
Silye
Speller
Steckle
Stewart (Northumberland)
Strahl
Thalheimer
Tobin
Vanclief
Volpe
Wells
White (Fraser Valley West)
Young

NAYS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Chrétien (Frontenac)
Daviault
de Jong
Deshaies
Duceppe
Fillion
Gauthier (Roberval)
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Ménard
Paré
Pomerleau
Solomon
Taylor
Venne—49
Asselin
Bellehumeur
Bernier (Gaspé)
Blaikie
Bélisle
Caron
Dalphond–Guiral
Debien
de Savoye
Dubé
Dumas
Gagnon (Québec)
Godin
Landry
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Mercier
Nunez
Plamondon
Robinson
St–Laurent
Tremblay (Rosemont)

PAIRED—MEMBERS

Augustine
Bevilacqua
Caccia
Bachand
Bouchard
Campbell

Cannis	Collins
Crête	Guay
Guimond	Lalonde
Lee	Marchand
Marleau	Nault
Patry	Picard (Drummond)
Rocheleau	Sauvageau
Sheridan	Tremblay (Rimouski—Témiscouata)

The Deputy Speaker: I declare the motion carried.

It being 6.38 the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

EXECUTIVE SALARIES

Mr. John Harvard (Winnipeg St. James, Lib.) moved:

That this House support the principle of disclosing the salary ranges of all senior executives of crown corporations and publicly traded companies incorporated under federal charter.

He said: Mr. Speaker, in this motion I am asking the House to support the principle of disclosing the salary ranges of all senior executives of crown corporations and publicly traded companies incorporated under federal charter.

I admit right off the top that I do not think this motion really goes far enough. That was suggested by the *Globe and Mail* newspaper which suggested that the motion include boards and commissions of the federal government.

I tried to keep the motion as simple as possible. Adding other entities, in my opinion, only complicates the issue. I wanted, in a fashion, to set the bar as low as possible so that we could get some kind of easy discussion on this matter.

I wanted to discuss this issue so that Canadians can get an idea of how members of Parliament feel about generous and sometimes extremely lucrative benefits which executives of public companies and crown corporations receive.

• (1840)

Why did I introduce this motion? It has not been designed to settle the impossible question of what executives are worth. I am not trying to do that in this motion. After all we live in a free market economy in which employers can pay employees whatever they feel is acceptable.

If my purpose is not to determine an executive's worth then why the motion? Consider how the public would feel if both politicians' and senators' salaries and benefits were not disclosed. People would be very unhappy. People want to know how public servants or public representatives treat themselves. Similarly, and I think in a growing fashion, people want to know how powerful, influential people in the private sector treat themselves.

Also consider the province of Ontario which under its securities act requires companies currently trading on the Toronto Stock Exchange to disclose the compensation packages of senior executives. Ontario is the only province with this requirement. The Ontario example provides a basis for us. Summaries of all companies should be required regardless of location in Canada and whether that company is publicly traded or a crown corporation; in other words, extend the Ontario example right across the country.

Ontario's securities act was implemented several years ago. It was implemented to force companies trading on the Toronto Stock Exchange to disclose the compensation packages of senior executives. As well, the Ontario legislature has given first reading to two private members' bills relating to salary disclosure.

Bill 108 would amend provincial access and privacy statutes to provide access to information relating to the salaries of public service officers and employees at the provincial and municipal levels. Bill 114, entitled an act to provide for the disclosure of executive compensation in the public sector, would require the Ontario government to report annually the salaries of the five most highly paid officials in each government ministry and crown corporation.

Perhaps through example we can more clearly understand the motivation for the introduction of disclosure regulations. Let me give some examples.

Hartland MacDougall, the former chairman of Royal Trust was handed a combined salary, bonus and severance package of $2.9 million for 1993. That came after the collapse of Royal Trust.

Marvin Marshall is CEO of Bramalea Ltd., a real estate firm. In 1993 even though Bramalea lost something like $90 million Mr. Marshall was paid almost $1 million in salary, $971,225.

Bill Stinson, CEO and chairman at Canadian Pacific, received a 31 per cent increase in salary in 1990, earning $1,181,895 despite the fact that Canadian Pacific's profits declined by 52 per cent in that same year.

Paul Stern, former CEO of Northern Telecom, left that company in 1992, receiving $164,000 for two months of employment. Stern also took with him a compensation package totalling $6 million. Also we cannot forget another $1.5 million in stock options.

When Stephen Banner joined Seagrams he received a signing bonus of 200,000 Seagram shares with a market value of $5 million as well as his salary and a bonus package worth $1.2 million. In addition Mr. Banner received a $1 million interest free loan to buy a house in Montreal and additional stock options

worth $2.1 million. As for his performance that has to be yet evaluated.

Those are examples. Some people might say those are examples of lucrative benefits. Some people might say that is an example of greed. There are cases where greed is not so apparent.

Paul Desmarais, the chairman of Power Corporation of Canada, a Montreal based firm, paid himself $1.6 million while the firm's net earnings were $201 million.

• (1845)

In my opinion such salaries become more than a simple matter of disclosure, but disclosure is at the heart of this issue. Executives of large firms and crown corporations are powerful people, perhaps in some instances more powerful than ministers or even the Prime Minister. In this respect there needs to be some legislation to inform Canadians how corporate moneys are dispensed with or spent.

One reason for introducing this as a motion rather than a bill is that several legislative changes would be required in order to facilitate salary disclosure. I do think though that salary disclosure means that salaries or compensation packages would be tied more closely to performance: the better the performance, the better the compensation package; lower performance, lower remuneration.

Disclosure at the federal level would require all kinds of legislative changes. For example, under the existing legislation in section 3(19)(iii) of the Privacy Act the federal government is now required to only disclose the salary ranges for senior civil servant positions. The Federal Court has interpreted salary range as meaning the exact salary amount of officials and shall remain personal information and not subject to public scrutiny. However, the Canada Business Corporations Act does permit public access to documents such as letters patent and annual returns which do not include certain information on a corporation's directors.

Federally there has been an effort to amend the Privacy Act to require the exact salary to be announced with order in council appointments. In a 1987 report the Standing Committee on Justice and the Solicitor General recommended but did not implement the amendment which would have made specific salaries of government officials mandatory.

Financial institutions are major corporations incorporated under federal charter. Several acts would have to be amended to effect this change, namely the Bank Act along with its counterparts, the Insurance Companies Act, the Trust Loan Companies Act, and the Co–operative Credit Associations Act.

The Canadian Business Corporations Act could also be amended to include an order to state executive remuneration. When filing annual returns with the Superintendent of Financial Institutions a corporation could be required to report the salaries of its senior directors. This information would be accompanied by a report of the corporation's operations and activities of its directors already provided to the superintendent in accordance with section 262 of the act and open to public scrutiny as required under section 266.

It may also be necessary to make an amendment to the definitions in the Privacy Act to clarify the intent and need for salary disclosure for the sake of public interest. The amendments mentioned here could sufficiently cover the salaries of private sector executives.

Those are some necessary legislative changes. That is down the road. Right now we are more or less talking about the principle of disclosure.

As politicians we are continually reminded of the notion that absolute power corrupts absolutely. I am not trying to imply that senior executives are morally corrupt or have ethics that are worse than any other person. I do not think they are any more greedy than anyone else, but I do think that because of their influence and power they may be in a better position to act upon the greed they may possess. I suppose we all have some greed in us.

I am saying that senior executives are so powerful that even though they are technically employees their compensation can be extreme relative to the company's economic performance. Currently some executives can virtually set their own salaries and bonus packages. I suspect there would be a considerable debate on this point, but they are very powerful, especially in their own realm within their own companies.

Senior officials are also in a position to stack or heavily influence advisory boards or shareholder boards with friends and allies. Corporations are not the most democratic institutions. One might ask at this point: Why not leave this matter to the shareholders?

• (1850)

I do not expect private companies to be as democratic as this old institution we call the Parliament of Canada is. Given the fact they are not that democratic I do think that shareholders need a little helping hand to open up the process and to provide better disclosure. We have to remember that shareholders in private corporations are a disparate group and are spread all over the place. It is very difficult for them to get together to make things happen.

Legislation would do executives a favour in some instances, in those cases where salary and compensation packages are reasonable relative again to company performance. They would receive strong public support and it would be good for their image. In cases where remuneration is unreasonable there would be some reason to worry and they would have to bring about some adjustment on account of adverse public opinion.

Countless times executives are quoted as saying that the government should cut back on its expenditures. What I am proposing in this motion would require that private sector executives practise what they preach. Or, if one believes that executives in private corporations already practise what they preach maybe this kind of disclosure would ensure that they would continue to practise what they preach.

During the recent recession a number of companies lost a great deal of money, yet executives of some of these companies were rewarded handsomely. In some cases executive salaries went up despite the fact that the performance of their companies went down. The greatest irony is that in many of these cases it was these individuals who made decisions which cost their firms a great deal of money, yet they were in receipt of greater rewards and greater compensation. Should we be rewarding bad decisions and bad choices? If we do that then I suppose the Conservative Party would still be ruling this country.

Crown corporations also play a significant role in the economy and should be subject to the same rules of disclosure. The fact that executives can earn more money while the companies they work for lose money suggests that executives have the power to design their own packages in secrecy, behind closed doors and out of sight of public scrutiny. The public should know how the packages of crown corporations are established.

In recent days there has been a controversy surrounding the head of CNR. We discovered that as part of his package he was in receipt of a $300,000 loan interest free, which probably makes it worth another $30,000 or $40,000. There is no need in my opinion to hide that kind of thing. If in this case the head of the CNR deserves that kind of assistance, if we want to put it that way, then it should be open and above board. He has no reason to hide it. My guess is it was made as obscure as possible because the man involved did not want that kind of information out. He probably thought it would add to his discomfort.

Disclosure is not intended to embarrass executives. It simply outlines the need for constraint. Disclosure gives us those constraints.

Initially this action may be considered intrusive. However, in the case of crown businesses they are the businesses of the government. Because they use government money they are using tax dollars. Furthermore, these businesses are important to the Canadian economy. Consider for a moment the significance of General Motors, Canadian National Railways, the Bank of Canada and the Department of Finance.

In conclusion, I wish this motion had been made votable but the powers that be decided otherwise. I wanted it to be votable because it would have given us the vehicle to express ourselves on this issue. I think Canadians want parliamentarians to express themselves on this matter.

• (1855)

In the remaining 40 minutes of this debate, I welcome the comments and the insights of my colleagues. If there are members who believe that executive compensation is nobody's business but their own, then let us hear about that. If in the opinion of some members disclosure is deemed to be harmful to the public interest or harmful to the private sector, I would like to hear about that too. Let the debate continue.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, I would like to start by commending the hon. member for Winnipeg St. James on the way he presented his motion. His motion was well researched, and his arguments were excellent. I just wanted to say that. I would also like to take this opportunity to bring another perspective to the subject of this motion.

The hon. member for Winnipeg St. James moved: "That this House support the principle of disclosing the salary ranges of all senior executives of Crown corporations and publicly–traded companies incorporated under federal charter". I think I should add, for the benefit of those who are watching and listening, that there are three types of companies. First, private companies which usually belong to a single owner or are family–run businesses. Publicly–traded companies are usually big corporations or could be SMEs but, as a general rule, they are traded on the stock exchange market and the owners are shareholders. Finally, we have a third type of company, Crown corporations, which have a single owner: the government.

I may recall that in October 1993, the TSE, following the example of the New York Stock Exchange, required companies traded in Toronto to disclose the salaries and bonuses of their five most senior executives. The remuneration of these executives includes salary, bonuses, options or share premiums as agreed by the issuer. It also includes allowances, annual dues and life–insurance premiums. This policy applies to all companies trading on the TSE and the Montreal Exchange. Companies trading on both exchanges are subject to the regulations set by the TSE.

With this measure, the Ontario government makes it incumbent on heads of Crown corporations to give an account of their remuneration to shareholders. The TSE's policy follows the example of American exchanges, and about 3,700 Crown corporations have been affected by the TSE's new policy.

Quebec, however, seems to be the exception in North America. The Montreal Exchange requires only disclosure of the total remuneration of the five best paid executives of companies trading on the exchange. Toronto requires disclosure of the salaries of these executives, while Montreal simply wants to

know the total amount, without requiring detailed information in each case.

• (1900)

In December 1993, the Quebec minister responsible for finance, Mrs. Louise Robic, said that she did not believe that it was necessary to require the disclosure of individual salaries of executive officers of companies listed on the Montreal Stock Exchange. She mentioned their need for privacy.

The Conseil du Patronat in Quebec was of the same opinion. Its spokesperson, Ghislain Dufour, opposed the Ontario policy for the sake of protecting the right to privacy.

Yet, the Ontario policy already applies to a vast majority of companies listed on the Montreal Stock Exchange. These companies are usually listed on both exchanges and, since they must abide by the rules of the Toronto Stock Exchange, they have to make public the salaries of their best paid executives. At the time, Mr. Dufour praised Mrs. Robic's decision.

We should add to this the opinion the Deputy Premier of Quebec, Mr. Bernard Landry, expressed when his party was in opposition. He said, in January 1994, that his party was totally in favour of the disclosure of executive salaries. He said and I quote: "We are following the example of the Americans", and he went on to say that the public and semi–public sectors would have to follow suite.

The Parti Quebecois favours openness. "What worker would agree to make sacrifices if he felt that the salary spread was much too great?" asked Mr. Landry. He points out that during its first term in office, the Parti Quebecois came very close to making the individual disclosure of top executives' salaries mandatory. But at the time, it was not a requirement in Toronto, and such a discrepancy in the rules of both stock exchanges could have been a problem.

It is important to note that, in October 1994, the Quebec Deposit and Investment Fund issued a different policy in this matter. It is opposed to the individual disclosure of top corporate executives' salaries, preferring instead the policy adopted by the Montreal Stock Exchange. However, the fund adds in its regulations that it expects corporations to abide by the disclosure rules established by regulatory agencies such as the Toronto Stock Exchange.

The Quebec Deposit and Investment Fund clearly states its preference for a policy like that of the Montreal Stock Exchange, although it expects companies listed on the Toronto stock exchange to obey TSE regulations and authorize disclosure, as well as other companies entitled to follow the applicable regulations. Companies are expected to comply with these regulations.

Let us go back to Motion No. 309 tabled by the hon. member for Winnipeg St. James. It is apparently aimed at extending the policy adopted by the Toronto Stock Exchange to everything under federal jurisdiction, including Crown corporations and publicly–traded companies incorporated under federal charter. Crown corporations have a single owner and are not currently required to follow the policy of the Toronto Stock Exchange since they are not listed on the TSE.

To give our viewers an idea of what these Crown corporations are, I would like to identify some of them. The list of parent Crown corporations includes the St. Lawrence Seaway Authority, the Canadian Wheat Board, the National Capital Commission, Canadian National Railways, the Canada Council, Canada Development Investment Corporation, Atomic Energy of Canada, the National Gallery of Canada, Canada Post Corporation, Canada Mortgage and Housing Corporation, the Canada Lands Company, the Canadian Broadcasting Corporation, VIA Rail Canada, etc. These are examples of what we are thinking about when we talk about parent corporations.

• (1905)

This motion would require not only parent corporations but also other companies incorporated under federal charter to disclose the salaries of their senior executives.

The situation of publicly–traded companies incorporated under federal charter is more complex. We must keep in mind that most of these companies are listed on the TSE but that some Crown corporations are not. This matter comes under provincial jurisdiction and does not require the adoption of a federal law.

In fact, the federal government has been unsuccessfully trying for several years to control the securities industry. In any case, I do not think that this law should apply to publicly–traded companies incorporated under federal charter.

The motion should be restricted to parent corporations, although federal public corporations are already subject to Ontario or Quebec laws. I think that we should let them administer their own affairs as they see fit and let the provinces continue to regulate them as they have done until now.

[*English*]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the motion that stands before us today is interesting because it highlights a problem that has existed for many years.

In particular, I would like to address the issue of disclosure of the salaries of the executives of crown corporations. The motion strikes at the balance between the right of the individual to his

own privacy and the right of the taxpayer to know where his tax dollars are being spent.

Allow me to quote from *Hansard* of November 21, 1983, just about 11 years ago to the day. *Hansard* records a question in the House of Commons on that day, a question that arose out of the tabling of a report detailing all the orders in council appointees by the government, a report that is still regularly published today. The report was 264 pages long. It gave the salary ranges, not the actual salaries, of all order in council, and by that I mean cabinet, appointees.

On that November day 11 years ago, a Conservative member asked the Deputy Prime Minister why salaries of the heads of crown corporations were not publicly disclosed. In his characteristic fashion, the Deputy Prime Minister replied: "The information that was tabled was in compliance with the law passed by the Parliament of Canada. Obviously with respect to public servants we have made public the range of salary. In this particular case, because it is impossible to find anything equivalent to a range, we have shown the maximum salary and the minimum salary".

I am not sure exactly what that means but in any case the former Deputy Prime Minister in perfect Liberal fashion avoided answering the question altogether. That member is of course sitting in the Senate today.

The answer more coherent people usually give to this question is that while the public has a right to know what civil servants are being paid, those who are heads of crown corporations work at arm's length from the government. They are not purely public servants and therefore they have a right to their privacy when it comes to personal information like salaries. In a grand Canadian fashion we have compromised and split the issue right down the middle by publishing salary ranges, allowing us to say that we know but we do not know at the same time.

It kind of reminds me of the question: "Why did the Canadian cross the road?" The answer of course was to get to the middle.

Almost immediately after the Conservative government took power in 1984, it began to publish more accurate salary ranges of the heads of crown corporations because they had been the ones asking the government to do that for some time.

Please notice that it did not publish the actual salaries of the executives either, but it published the ranges with one significant difference from the Liberals. The ranges it began to publish were much narrower than had been previously published.

We learned from another question in the House asked by another Conservative member, again in November 1983, that the salary range of 18 employees of Canada Post was at the time $63,000 to $228,000 a year. Given this range, appointees could receive a salary anywhere within that range, maybe $170,000 a year. That is a range.

That gave very broad anonymity to all 18 executives appointed to Canada Post in 1983. Today the situation is much different.

• (1910)

The salary range for the chief executive officer of Canada Post is more accurately stated at $255,000 to $319,000 a year. This still leaves the actual salary of the CEO unknown, but it gives such a revealing hint that there is very little left to the imagination.

In addition, most order in council appointees are given a ranking number, called a governor in council rating that falls between 1 and 11, each showing a progressively higher salary with a range somewhere between $20,000 and $30,000. The yearly reporting of order in council appointees called "The Governor in Council Appointment Guide" also gives a complete list of 15 CEO salary ranges of senior executives of crown corporations and a few other executives. The salary ranges given have about $30,000 between the minimum and maximum salaries for these positions.

Over the last decade and a half a trend toward greater disclosure has been established until we have today reached what I would call almost virtual disclosure. Although interest was high when salaries were fully veiled, now less is being left to the imagination, so interest in the topic I think is naturally waning.

If I were the CEO of a crown corporation I would argue that my salary has been virtually revealed and there is no more danger to the public from the small amount of secrecy that still exists. What is the harm in a little bit of secrecy?

On the other hand the taxpayer would argue what would it hurt to know the exact salaries? Since a trend toward greater openness has already been established over a period of years and since we already have full disclosure in all but name, since the privacy of these individuals with respect to salary is only a charade anyway, what is there to lose by revealing all? The taxpayer would feel that a corporation may well be at arm's length from the government in the legal sense, but the taxpayer is not at arm's length in any way at all.

Every time the CEO receives a pay cheque the taxpayer feels it directly in the wallet. The taxpayer would argue that he has a compelling interest in full disclosure, knowing the exact salary he is paying anyone, be it a clerk in a UI office or the chairman of CN rail. We have two opposing arguments with two competing interests. The question then becomes: Which group has a more compelling interest, the taxpayer or the one who serves the taxpayer either as a public servant or as an arm's length quasi–public servant?

In my former life I operated a contracting company with about 230 employees. As the manager of those employees I had to know their exact salaries or I could not have run the company. The requirement of full disclosure is not only important, it is necessary for the manager. Just let the listener try to run his or her own household when they do not know all of their expenses. It is, of course, impossible.

If full disclosure is necessary to the financial manager, it begs an important question. Just who is the boss of Canada? Is it the government or the people who elect the government? I would say that the people of Canada are the boss and they have hired this government for a short period of time to manage the public affairs for them.

The government is not the boss, it is the servant. It is impossible for the taxpayer, the employer of the government, the real boss, to adequately judge the performance of its servant without exact information. This applies across the board, not just to the salaries of chief executive officers, but to government information across the great span of the federal government.

As a matter of principle, the taxpayer deserves full disclosure of all government expenditures. By receiving employment from the public purse and by fulfilling some type of a public mandate through their work, an individual gives up his or her right to privacy regarding salary. We can see why this principle is so important.

Just a few days ago the CEO of Canadian National revealed that in addition to his salary of something between $324,000 and $377,000 he has received an interest free loan of $300,000 to mortgage his house. This practice of mortgage perks is long-standing. I would refer the listener to the 1981 report of Petro–Canada where we first got wind of this in which $16.5 million was listed as mortgages. Is there anything else that the president of CN receives today for instance?

How can the ordinary member of the public judge whether the taxpayer has received a fair deal without knowing the details of the remuneration? If I owned a company and I found out that my manager was hiding important financial information from me, we all know what I would do. I would require that manager to tell me everything immediately or I would find a different manager. The principle becomes much larger and much more important when the poor taxpayer begins to delve into the government books and finds out how huge the whole system is.

• (1915)

The governor in council appointment guide I referred to earlier now has well over 286 pages in it, not 264 as in former times. The guide has a list of political appointees, 51 pages long. There are 2,500 names on the list.

If we are to assume that each one of those persons receives $70,000 a year, which is a fairly conservative estimate, it means that the salaries paid to those political appointees amount to $175 million a year. If we consider that these employees receive salaries within a range that is perhaps $30,000 a year more, then the salaries build to $250 million and so on.

The electorate will never see this information because it is hidden. The Liberal government, I would propose, has carefully hidden it so that we will not be able to see who gets what.

When we move on to other sectors of government full disclosure is even more necessary. For instance, the Department of Canadian Heritage gives out $552 million in grants to 10,000 different groups every year. It is a shame. On August 18 I asked for that list. It is somewhere in the bowels of the department. I cannot get it. They will not give it to me.

To summarize my remarks today, the taxpayer has a compelling interest in full financial disclosure from the government. There are many aspects of individual privacy about which the public does not have a right to know. When it is an individual employed by the taxpayer to fulfil a public mandate in service to the taxpayer, the interest of the taxpayer to know outweighs the right of the salary to be held secret.

Disclosing where the taxpayers' dollars are being spent and just who are the beneficiaries are valid principles. Where the motion helps to accomplish this, I think I could support that.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am very happy to take part in the debate on a very worthwhile motion by the member for Winnipeg St. James. I am very much in favour of his motion.

The motion really addresses, even though it does not quite say so, the concept of transparency and the possibility that people should be remunerated based on their performance. I do not think there is anything particularly wrong with that. In the case of crown corporations the customers are the taxpayers of Canada.

I have been involved with the Lobbyists Registration Act. People are concerned about the accountability of government and people working with government and interrelating with the public in general. Basically the motion attempts to address that accountability.

The Ontario Securities Commission requires the reporting of salary ranges in publicly traded corporations. This is a jurisdictional problem as the previous member from the Bloc pointed out. One advantage of having federally chartered corporations respond in that way is that it will actually be spread across the country. We could have federally incorporated companies which operate mainly in Vancouver now coming under the guise of this legislation.

Another important aspect, although it was not really addressed in the member's motion, would be to deal with some of the problems of the securities exchange commissions in the country. I firmly believe there is a definite need for a national securities commission that would have a uniform standard of

securities legislation across the country. There are many people who believe that as well. It has an additional advantage in that it could possibly create new capital markets for small and medium sized businesses. That is an issue for another day.

We speak about transparency in corporations. The shareholders are very interested in what their executives are being paid. I can remember during some of the bad troughs of the last recession when our banks were having problems with Canary Wharf. I actually watched some of these institutions raise the salaries and remunerations of their executive officers, the very people who had made the decisions concerning that project. It was amazing to note at the same time that some foreign banks, especially some in the United States, were actually firing those people. It gives a different onus.

• (1920)

I am sure the people in the Royal Bank and others were very happy to receive at least the information. Although they might not have liked the results, they were certainly pleased to be in receipt of the information that these people had decided to give themselves a salary boost.

The transparency aspect in the recording of salary ranges is not a matter of simple curiosity. The reality is that when we expose them people start thinking the very thing we are thinking: "What is it that you did to earn that money?" Having crown corporations provide that information is nothing but good.

For instance, Canada Post was mentioned earlier in the debate. Why should its remuneration not be more directly linked to its actions as a crown corporation? In other words there should be a portion, if not dollar for dollar, of its remuneration directly related to customer satisfaction which is basically the people of Canada who use Canada Post services.

Today I attended an interesting interview. Some people from IBM were telling us how they run their corporation these days. Ten per cent of the remuneration of their employees is now based on a combination of five per cent on the profitability of the corporation and five per cent on customer satisfaction. They have a way of measuring customer satisfaction. We have to go more toward that in our governmental institutions.

I take the train to Ottawa quite often. I have often thought the executive officers of VIA Rail should possibly be paid, at least partially, based on the performance of that service. It seems that every time that train is late we should focus on the profitability of VIA Rail and customer satisfaction. Of course a lot of people would understand that these people may well have to pay money to work for VIA Rail today. If that focus were available, we may well get more efficiency in government as well as in our private sector.

I will conclude to allow other members to discuss the motion by raising the aspect of the civil service. I do not want to be getting into a position where I always seem to be bashing the civil service. Many civil servants do worthwhile jobs. I am very conscious of their concern for the Canadian citizen. I would, however, like to restore the word civil to the term civil servant. I looked it up in the dictionary on the way to the Chamber today and the word civil means belonging to the citizens, polite, obliging and not rude. Those are some of the things that we would address by making the remuneration more directly related to the citizens of the country.

I am very supportive of the motion of the member for Winnipeg St. James. It is quite appropriate that he brought it before the House tonight.

The Deputy Speaker: I might indicate that the debate is to end at 7.37 p.m. If there are two members who wish to speak, perhaps they could divide the time.

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, I will be quite brief. I rise in support of the motion. I congratulate the hon. member for Winnipeg St. James on his motion that will help to bring Canada fully into the 20th century in terms of business.

Other countries are ahead of us by many years in terms of the requirement to disclose. I approach the question perhaps a little differently than my colleagues who have spoken before. It has to do with the question of fiduciary responsibility. We know the term fiduciary responsibility applies to business, to stock companies and so on. That responsibility is to the stockholders, to the people who buy the stocks, who are entitled to attend annual meetings and who presumably are entitled to all pertinent information about the company, the financial information particularly.

• (1925)

We have lagged behind in this country by not acknowledging that salaries, especially significant salaries of senior executives, have been exempt. It would seem to me, and I do not want to comment on the size of the salaries or the stock options, the perks or whatever, that a lot of senior executives probably deserve more than they are making. Perhaps some of them deserve less. Those are privately held opinions as often citizens hold about members of Parliament as to whether their salaries are adequate, overadequate or under, or whatever.

Since the incomes of those senior executives have a direct relationship with the profitability of the company and with the dividends that are paid and so on and presumably in the end the value of the stock that it would be in the positive interests of that business if those things were revealed. A prospective sharehold-

er then would not be made aware of only part of the financial information it needs but would have all of the financial information. I believe that is correct.

In the case of crown corporations naturally the fiduciary responsibility is to the people of Canada, to the citizens. It seems to me that they are as entitled to that kind of information as are private shareholders in companies.

It is for those reasons that I rise in wholehearted support. I hope this goes ahead and the thrust of this motion prompts us to adopt legislation that will bring us into line at least with other countries we compete with around the world because it will be good for our business and good for investment in this country.

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, I rise today to speak on the motion put forward by the hon. member for Winnipeg—St. James respecting the principle of public disclosure of salaries of senior executives of publicly traded private corporations and crown corporations.

Unfortunately because of time I do not think I am going to get through my whole presentation but I thank my hon. colleague for sharing the time.

The issue as it relates to provisions of the Canada Business Corporations Act rests mainly with my colleague, the Minister of Industry.

[*Translation*]

For Crown corporations the government has a more direct responsibility because of the public policy purposes these corporations serve and has a strong interest in ensuring appropriate compensation levels.

[*English*]

The subject of salary disclosure of executives in Canada's corporate world has always been one of great debate and great importance. Our government has traditionally attempted to balance the right of the public to access information concerning both public and private institutions against the rights of individuals to privacy.

Disclosure rules in the private sector for publicly traded corporations reflect an increasing desire on the part of investors and creditors to exercise their corporate governance rights and responsibilities in ways that ensure that compensation packages to management harmonize to the degree possible with the interests of the shareholder. Compensation should reflect corporate performance and industry standards.

Provincial securities legislation deals with disclosure rules for public companies. For example, Canadian companies which do or may file debt securities which trade under the Ontario Securities Commission jurisdiction are required to file information on executive compensation for the presidents of the companies and the four most highly compensated officers. These rules appear to be well designed to meet the needs of private investors and creditors. They provide assurance and accountability.

Disclosure of compensation for CEOs and chairpersons establish a reasonable and welcome degree of public transparency concerning corporate affairs for some of Canada's most important corporate bodies whose shares trade on the open market.

Sound corporate governance for crown corporations continue to be a matter of concern to this government. This past October the President of the Treasury Board hosted a conference of chairpersons and CEOs of crown corporations to discuss ways of improving the performance and accountability of crown corporation boards.

• (1930)

I think it is fair to say that all crown corporations represented displayed sensitivity to the public's changing expectations concerning the responsibilities of corporate boards. This sensitivity extends to the development of appropriate compensation policies for corporate employees.

In recent years a number of studies in the area of corporate governance, including the report prepared by Mr. Peter Dey for the Toronto Stock Exchange, have addressed the changing role of the board of directors.

Crown corporation boards face difficult challenges complicated by the need to balance the corporate agenda with the public policy agenda. They also face problems similar to those in the private sector such as ensuring open communication programs with shareholders, stakeholders and other affected parties, and that includes the taxpayers of Canada.

In the Dey report there is a particularly challenging concept of a modern business corporation put forward by the Canadian Centre for Ethics and Corporate Policy. The centre sees "the modern corporation as both an economic institution and a social institution". The role of the "economic institution" is "to conduct affairs with activities with a view to enhancing profit for the benefit of the shareholders". This of course is the traditional role.

However, I think we can go further and say that "as a social institution a corporation in the conduct of its business activities must take into account those ethical principles and considerations that are reasonably regarded as appropriate for the responsible conduct of business" in Canada. This expands the traditional view and puts the onus on boards of directors to become accountable for much more than only the bottom line on a set of financial statements.

Crown corporations by their very nature have always had to consider the public policy principles and considerations to a much greater degree of public scrutiny than private sector corporations.

Furthermore, the Treasury Board secretariat continually reviews corporate government issues as they relate to federal crown corporations. The review of annual corporate plans and budgets, including salary budgets, is one aspect of their work. In addition, much information on crown corporations is now publicly available.

Hon. members are probably aware that for crown corporations, directors, chairpersons and chief executive officers, these are appointed by order in council and have their remuneration fixed by the governor in council. Salary ranges for these appointees are in fact now very much public information. The practice has been to provide easy access to information concerning the salary range of a particular person. This protects the privacy of the individual concerned, especially with respect to exact salary, while allowing the public to have access to significant information. Similarly, the salary schedules of senior appointments to federal agencies and commissions are publicly available.

Crown corporations seeking to issue debt instruments follow rules established by respective provincial securities commissions. They too are subject to disclosure requirements as are their counterparts in the private sector.

With respect to the current public sector wage freeze, all crown corporations have been asked to follow government policy. Order in council appointments such as board chairs have had their wages frozen. Senior crown corporation officials who are not government appointees have had their compensations set by the boards of directors of their corporations. Crown corporations subject to access to information or privacy legislation can be required to provide salary ranges and discretionary benefits of a financial nature for these officials.

The Financial Administration Act requires as well that any benefits other than remuneration paid to directors, chair or chief executive officers shall be fixed by the board of directors in accordance with the regulations made under this act. The regulations require that these benefits do not exceed any industry norm.

I would like to emphasize that federal crown corporations are subject to more stringent accountability and control rules than are publicly traded corporations.

The Financial Administration Act, part X, sections 83 to 154, establishes very thorough and comprehensive reporting requirements. This law requires corporations to submit annual corporate plans and budgets to Treasury Board for approval.

Corporations must conduct internal audits as well as being audited externally. In most cases, external audits are undertaken by the Auditor General who is empowered to make special reports on the matters he believes require the attention of ministers and Parliament.

In addition, crown corporations under part X must undergo a special examination at least once every five years. These examinations are established to ensure that systems and practices respecting financial and management controls are maintained in order to provide assurance that the resources of the corporation are being managed effectively and efficiently.

How much more disclosure is reasonable for other crown corporation executives? Is there a further need to add more rules for Canada's 48 crown corporations? Should smaller corporations which do not issue debt instruments and have only a handful of employees be treated in the same manner as a larger corporation? It would be premature to go beyond what we now have in the area of salary information reporting by crown corporations. Public accountability for crown corporations is now well and adequately established under a sufficiently rigorous statutory and regulatory framework.

• (1935)

The corporate form together with this framework has served Canadians well. In the 1993 report to Parliament, the Auditor General of Canada stated:

> In 1991, we reported that the control and accountability framework established in 1984 represented a vast improvement over the previous situation and provided for greater vigilance and stability. It has, in our view, improved the management of crown corporations as well as the receipt of essential information by Parliament on a more timely basis.

The government will continue to monitor this system to ensure its effective functioning and make whatever amendments are needed.

The Deputy Speaker: Under Standing Order 44, the member who began the debate is entitled to approximately two minutes in which he might close the debate.

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I am not going to use up the whole two minutes.

In closing off the debate I want to express my sincere thanks to all the members who participated in the debate. I want them to know that I really appreciated their participation and contribution.

Tonight's debate, even though we did not have a vote, indicates that there is an interest, there are different points of view and we should not let this debate go. Perhaps we can pick it up again under some other format at some other time.

The public is interested and they too would not want us to let this go. It is a matter of importance to all of us. We in Parliament truly believe in transparency, openness and disclosure whether it applies to crown corporations or private sector corporations.

Again, I want to thank all those members of the House who took part in tonight's debate.

The Deputy Speaker: The time provided for Private Members' Business has now expired. Pursuant to Standing Order 96, the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

NORTHERN TAX ALLOWANCE

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I rise tonight to again raise the issue of the northern tax allowance, a matter that I and my constituents have expressed concern about for many years. This was an issue that concerned my constituents and other Canadians during my first election campaign in 1988. It was an issue that the Mulroney government completely misunderstood and in responding to the complaints raised it made the situation worse.

I have always seen the northern tax benefit program as a simple acknowledgement that not all taxpayers in Canada have equal access to the programs and services to which they contribute as taxpayers. Northern residents live at a considerable distance from the majority of federal government services and the northern tax program provided them with some relief on their income tax as a result.

For example, an individual living in Pierceland, Saskatchewan has less access to federal government programs and services than does an individual living in Saskatoon. Therefore, it seemed the right thing to do when the original tax benefit program was initiated and brought into being.

However, there were problems in its implementation. Some communities achieved northern benefit status and others did not. There were arguments about why the residents in one community received benefits while residents in another did not. Instead of reviewing the criteria for the program and finding ways to increase its fairness, the Mulroney government appointed a special task force which reported to Parliament in October 1989.

The task force recommended that instead of fixing the problems the federal government should simply move the eligibility line so far north that few communities would argue about where the line was drawn. In other words, the task force recommendation walked away from the problem, took the easy way out and completely ignored the needs and desires of the people who were living in the area previously defined for eligibility.

• (1940)

According to the Mulroney government, which accepted the task force recommendations, the people who were receiving the benefits would be best served if they lost those benefits, not all at once but slowly, phased out over three years.

Despite their protests, these residents will see the end of the northern tax allowance this year. When taxes for 1994 are calculated and the benefit taken into account, that will be it. In 1995 these hard working Canadians will lose their benefits.

As a result it also means that each and every one of these tax paying families will see a dramatic increase in their tax bill beginning in the 1995 tax year. At the time of the task force report, I said it did nothing but address the cash grab needs of the federal government and completely ignored the needs of the people who live in the areas designated to receive the benefits.

I acknowledged the unfairness of the existing program, but I suggested that a review and some new criteria would be better than completely removing the benefits from so many tax paying residents.

Although the Liberal government since its election one year ago has refused to review the northern tax allowance program at my request, I decided last week to try once again so that in the development of the 1995 budget the government might consider reinstating the program to ensure that additional tax increases are not going to be unfairly forced on northern residents.

I was pleased to learn there is the possibility of a review. I hope the government will again tonight confirm that it is going to look at this program and give the residents of a part of my constituency and other northerners some reason to be optimistic.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, the hon. member has asked that the government reconsider the phasing out of the tax benefits for residents of the north and isolated areas.

I would first like to clarify that the program is not being eliminated at the end of this year. Rather, a new approach to providing benefits to residents of the north was implemented at the beginning of 1991.

This new system was accompanied by a transition period ending this year for those communities whose benefits were being reduced or eliminated. I can appreciate that some individuals living in communities no longer eligible for some or all of the benefits might oppose these changes.

However, after reviewing the events that led to the implementation of the current system, I believe that the zonal approach is the right one. The current system was the result of a comprehensive study. It was implemented on the basis of the recommendations of the task force on tax benefits for northern

and isolated areas established in 1988 and of further consultations as well.

The previous community by community approach to allocating benefits was widely criticized as inherently unfair because it created border problems between adjacent communities that were treated differently for tax purposes.

The existence of ill–defined boundaries made inequities inevitable. The new system is based on carefully delineated broad zones and it minimizes inequities. I believe that the current policy will prove to be fairer, simpler and more effective than any of its predecessors, providing tax assistance to residents of northern and isolated areas.

CRTC

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I asked a single question of the Minister of Canadian Heritage during question period on Friday, November 25.

I asked the minister to explain why cabinet had decided to order a review of the CRTC exemption order on direct home satellites. Even though cabinet had made its decision for the review, even though cabinet had directed the details of the review to be gazetted, even though cabinet had decided who would conduct the review and who would be on its advisory council, even though cabinet had decided that the CRTC would not be the body to conduct the review, the minister refused to answer the simple question I posed.

I was aware of the details concerning the review. Surely the minister was informed so he could respond to my question. It is unfortunate that he could not explain the reasons supporting this decision. The decision had been made on Tuesday and yet three days later, on Friday, he still refused to explain fully to Canadians the basis of the decision and why it was made.

Telecommunications policy in Canada is rapidly being outpaced by the developments that are being made in the industry. Technological convergence is occurring at an exponentially increasing rate and the government must recognize that it can no longer adequately regulate the industry while providing fair treatment.

• (1945)

Competitive fairness is what this issue is about. The Reform Party does not oppose the idea of a review of the direct to home satellite distribution policy. We encourage such a review. However, we must ensure at all times that this review like all matters of government is dealt with fairly.

In order to maximize the level of fairness the process should be as unbiased as possible while still securing a high level of competency. At no time has it been suggested that competent people should be excluded from making contributions to the debate. However, we must ensure that no one interest is given more weight or is seen as being given more weight than any other.

The cabinet also decided to appoint three members from private industry to advise it on the decision. First, I would like to know the criteria for the selection process. Second, how much will this six month process cost? Third, how much are these advisers to be paid? Fourth and last, what exactly is their role?

It is not even clear why the government needs advisers on this issue. Surely there are competent people within heritage, industry, and the CRTC who understand how DTH policy will affect both the industry and Canadian culture.

As well, the review calls for interventions from the public and then it allows for comments on the interventions. Without advisers the only one who could influence the process would be the minister. However, if the minister wants an independent review of DTH policy and how it affects Canadian culture, then he should either let the CRTC do it or give it over completely to an independent public panel where there will be no undue influence.

In conclusion, I support the review of this policy. It is important that we ensure government regulations accurately reflect the needs of the industry and allow for all interested parties to compete on a level playing field.

Unfortunately, the minister's in house review with advisers who many in the industry believe will favour one company over another cannot accomplish these goals unless he makes it non–partisan. No matter what decision results from the review it will be viewed with skepticism from the industry because it will appear to have been influenced. The only way to ensure a quality review is to overhaul the process before it begins.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, the Minister of Industry and the Minister of Canadian Heritage have launched a review of policies relating to direct to home satellite distribution undertakings because of the impact these new services will have on Canada's broadcasting and telecommunications system.

The new generation of direct to home satellites combine the use of high powered satellites, digital technology and small dish receivers to provide up to 200 channels of broadcasting and other services.

Some of these systems are operating now in the United States and there are plans to have Canadian direct to home systems in the near future. However, if Canadian systems are not competitive with the U.S. systems, then Canadians may choose to get their TV direct from American suppliers which have no requirement to offer any Canadian programming at all.

On August 30 the CRTC exempted Canadian direct to home undertakings from licensing provided that they meet a number of criteria. Some of these criteria limit the ability of the

Canadian direct to home undertakings to compete with cable systems and with American direct to home undertakings.

On September 12 the Ministers of Industry and Canadian Heritage announced their intention to review policies governing direct to home undertakings. There is in no way an overruling of the CRTC decision. The CRTC has enunciated its views on how it would issue such orders in the future.

A notice was published in the *Canada Gazette* on November 26 seeking public comment on a range of policy issues raised by the introduction of direct to home satellite undertakings in Canada.

Issues to be examined include competition, Canadian content, programming distribution rights, and the use of Canadian satellite facilities among other concerns. In addition, as the member recognized, the Ministers of Industry and Canadian Heritage have announced Gordon Ritchie, Roger Tassé and Bob Rabinovitch as the panel who will review submissions and make recommendations which will assist the government in formulating policy in this area.

Although some have argued that the matter should have been referred to the CRTC, it is the government's responsibility to establish policy and the CRTC's job to implement it.

The introduction of direct to home systems will have an impact on individual Canadians and on a range of industries. Concerns have been brought to the government's attention from a number of sources on this issue. We intend to balance the interests of all parties and consider the best interests of the Canadian public in formulating policy in this area.

The Deputy Speaker: Pursuant to Standing Order 38 the motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 7.50 p.m.)

HOUSE OF COMMONS

Thursday, December 1, 1994

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

SPECIAL JOINT COMMITTEE ON CANADA'S DEFENCE POLICY

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, pursuant to Standing Order 109, I have the honour to table, in both official languages, the government's response to the report of the Special Joint Committee on Canada's Defence Policy and the 1994 White Paper on Defence.

* * *

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

SCRUTINY OF REGULATIONS

Mr. Ghislain Lebel (Chambly, BQ): Madam Speaker, I have the honour to table, in both official languages, the second report of the Joint Committee on Scrutiny of Regulations.

[*English*]

COMMEMORATION OF BIRTHPLACE OF CONFEDERATION ACT

Mr. George Proud (Hillsborough, Lib.) moved for leave to introduce Bill C–292, an act to commemorate the birthplace of Confederation.

He said: Madam Speaker, as you probably know, this bill has been a project of mine for the last number of years. The purpose of the bill is to allow the Minister of Canadian Heritage to erect plaques or set up museums to mark Charlottetown as the birthplace of Confederation.

In 1864 the Fathers of Confederation met in Charlottetown and laid the foundation for this great country. A few years ago the House passed my motion recognizing Charlottetown as the birthplace of Confederation. The time has come for the federal government to act on that recognition.

This bill provides the government with the authority to act. I urge all members in the House to support the commemoration of this great historical event.

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

* * *

[*Translation*]

PETITIONS

UKRAINIAN CATHOLIC WOMEN'S LEAGUE OF CANADA

Mr. Raymond Lavigne (Verdun—Saint-Paul, Lib.): Madam Speaker, allow me to submit to you this petition from the Ukrainian Catholic Women's League of Canada.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF INDUSTRY ACT

The House proceeded to the consideration of Bill C–46, an act to establish the Department of Industry and to amend and repeal certain other acts, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): We have a ruling on Bill C–46, an act to establish the Department of Industry and to amend and repeal certain other acts. There are 10 motions in amendment standing on the Notice Paper for the report stage of Bill C–46, an act to establish the Department of Industry and to amend and repeal certain other acts.

• (1010)

[*Translation*]

Motion No. 1 will be debated and voted upon separately.

[*English*]

Motions Nos. 2, 3, 4, 5, 6, 7, and 8 will be grouped for debate but voted on as follows.

A vote on Motion No. 2 applies to Motions Nos. 4, 5 and 7. An affirmative vote on Motion No. 2 obviates the necessity of the question being put on Motions Nos. 3, 6 and 8. On the other hand a negative vote on Motion No. 2 necessitates the question being put on Motion No. 3. A vote on Motion No. 3 applies to Motions Nos. 6 and 8.

[*Translation*]

Motions Nos. 9 and 10 will be debated and voted upon separately.

I will now call Motion No. 1.

MOTIONS IN AMENDMENT

Mr. Gaston Leroux (Richmond—Wolfe, BQ) moved:

Motion No. 1

That Bill C–46, in Clause 4, be amended by replacing line 13, on page 2, with the following:

"(h) patents, trade–marks, indus–".

Mrs. Christiane Gagnon (Quebec, BQ): Madam Speaker, the debate in which I am taking part today is of the utmost interest for the entire Canadian artistic community. If the government were to show some open–mindedness, it could give a great deal of hope to creators working in the cultural industry.

On November 16, 1993, exactly two weeks after the federal election, the Coalition of Creators and Copyright Owners published an open letter in *Le Devoir* addressed to the Minister of Canadian Heritage.

It pointed out, and I quote:

> Honourable Sir, the books, recordings, films, radio and television broadcasts, paintings, sculpture, photographs, choreography and works of entertainment produced by the 30,000 creators, artists and other eligible Quebecers belonging to the Coalition of Creators and Copyright Owners are everywhere. Both the creators and the public are happy with this situation. However, in the absence of adequate legislation, creators' fundamental rights are still not being recognized and new reproduction and distribution technologies are depriving them of the revenues that the use of their works should generate.
>
> You undoubtedly realize, Sir, that in order to be able to create new works, creators must earn their living from what they produce. Only the Copyright Act can ensure the legal basis for fair remuneration for the work of creators.

The Minister of Heritage had promised to take prompt action. But one year later, creators are still waiting for legislation that would recognize their right over their work. Why is this? There are those who tell us that the answer to this question lies in the fact that two departments share the responsibility for the question of copyright. These departments are the Department of Industry to be established under Bill C–46 and the Department of Canadian Heritage that will eventually be established under Bill C–53.

We now come to the heart of the debate. According to Clause 5 of Bill C–46, one of the duties assigned to the Minister of Industry will be to defend consumers and large corporations. The rights of artists and workers in general are not even mentioned in this bill. As a result, this department would have a hard time recognizing the rights of creators on their works, as these rights are in direct conflict with those of consumers and large corporations.

The heritage department has a moral right to look into the matter. It is, after all, recognized as the primary stakeholder in cultural matters. About 10 people work on these issues on its behalf. However, these officials have no powers; they can only try to influence their colleagues from Industry. That can be a very frustrating experience.

We now come to the second issue, copyright, which comes under two departments defending diametrically opposed interests and is stuck in its turn–of–the–century version.

• (1015)

The review of the act, announced with great pomp on many occasions, is getting nowhere, simply because of differences of opinion between the departments involved. The Union des artistes, for one, wrote in its December 23, 1993 letter to the Prime Minister that dividing responsibilities between the heritage department and Consumer and Corporate Affairs Canada, which had jurisdiction over copyright before reorganization, "stood in the way of harmonious legislative reform —This division of responsibilities has led to a dual vision, which more often than not results in conflicting objectives".

What the creative artists ask for is a strengthening of their first claim on their rights to their work and thus their right to negotiate the use made of these works. For example, the coalition of creative artists and copyright holders says that their rights should be protected as much as those of drug patent holders. In a press release from the coalition, Jean–Claude Germain said that the least a healthy society which is proud of its culture could do would be to protect its creative artists as well as it protects its drug manufacturers.

Briefly, this is what the creative artists are asking for. They want recognition of neighbouring rights, that is, the rights of performers to reproduce and present their works. They want recognition of consequential rights, namely the visual artist's right to a percentage of any profit made on his or her work. They want recognition of equal duration of protection, that is, for all types of works, copyright would be recognized for at least 50 years after the artist's death. They also want a law that is technologically neutral, that is, one that will apply regardless of technological developments.

They want fees to be paid on their private copies, that is, royalties on media which can be privately copied such as diskettes, tapes, videocassettes and cassettes. They want rental rights, that is, a royalty on all works protected by law. Finally, they want appropriate recourse and adequate penalties for those who break the law.

For ten years, the cultural communities in Canada and Quebec have been demanding these straightforward changes to the Copyright Act. They are unanimous on this, but have been unsuccessful. It is therefore urgent to act; the survival of Canadian and Quebec culture is at stake. It is urgent to give our artists the ability to earn a living from what they produce, because without culture, a country has no life, no colour and no future.

The purpose of the amendment moved today by my colleague from Richmond—Wolfe is to make Canada and Quebec full–fledged players in this new global economy, which is no longer based on trade in goods but rather on quality of thinking, artistic value, imagination and open–mindedness. Our artists are ready and able to meet the challenge. Denying them the means to do so is not the way to ensure their survival.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, as I listened to the member from Quebec City I must say I share all of her concerns. Coming from a riding where the cultural community for people who are employed in cultural industries represents the greatest number of people employed I am extremely sensitive to this issue. I do not want you to think, Madam Speaker, that this is a community that I do not care for or am insensitive to. I depend a lot on the views and feelings they provide me in the direction I take.

The member for Québec said that the fundamental rights of the artistic community were being threatened by the positioning in the Department of Industry.

• (1020)

Historically copyright was with the Department of Consumer and Corporate Affairs which is now part of Industry Canada. From a historical sense we are being fairly consistent but I think the member for Quebec mentioned a more important thing, the strengthening of the role of the creator. I believe that we are doing that. First of all, we have to realize that this is a joint relationship between Heritage Canada and Industry Canada.

Copyright does not deal exclusively with cultural aspects. On the international level, it is a business issue that impacts on revenues, investment, job creation, innovation, piracy, theft, non–tariff barrier concerns, many of the things that the member talked about in her remarks.

As a government we believe that the Department of Industry, especially with all the new technologies, with the information highway, the concerns that we have for protection, is best equipped to meet those concerns and those needs of the artists.

In light of all of that and the balancing of the concerns, we cannot accept this amendment.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, the amendment that is being proposed in effect deletes the provision of the minister that the Department of Industry deal with copyright. It is really intended to bring that over to another department.

The issue that has just been made by the hon. member opposite is a very accurate statement, that we need to recognize that the whole area of creator's rights and the business of intellectual property ought to be identified. It is not strictly a matter of heritage, history or things of that sort but is rapidly developing and rapidly changing in our economy in Canada today. We need to recognize that in the area of patents and trademarks of those sorts of things are no less the property of people who use their minds and who use their knowledge to develop particular ideas as much as other kinds of property.

We are moving today into a knowledge economy which is not only a business of making things and of moving people. It is a matter of ideas. It is a matter of innovations. It is a matter of applying these in the right way.

It seems to me that there may be some interest here. In other departments, it is with regard to specific content but in terms of the ownership of certain sorts of things we need to recognize that this is included here in the old traditional way of talking about copyright.

We are really talking about much more than the initial intent of copyright. We are talking about intellectual property. The matter should not be taken out of this clause at this time.

Therefore I think the Reform Party would suggest that colleagues not support this amendment.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

• (1025)

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(1)(8), a recorded division on the motion stands deferred.

Group number two.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ) moved:

Motion No. 2

That Bill C–46, in Clause 8, be amended by replacing line 23, on page 4, with the following:

"by subsection 4(2), with the approval of the Lieutenant Governor in Council of Quebec where such powers, duties and functions relate to regional development in Quebec, in a manner that will".

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.) moved:

That Bill C–46, in clause 8, be amended by deleting lines 24 to 28, on page 4.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ) moved:

Motion No. 4

That Bill C–46, in Clause 9, be amended by replacing line 5, on page 5, with the following:

"Ontario and Quebec, and with the approval of the Lieutenant Governor in Council of Quebec where such powers, duties and functions relate to regional development in Quebec,".

Motion No. 5

That Bill C–46, in Clause 9, be amended by replacing line 22, on page 5, with the following:

"ing the same duties and functions, and with the approval of the Lieutenant Governor in Council of Quebec where such powers, duties and functions relate to regional development in Quebec, the Minis–".

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.) moved:

That Bill C–46 be amended by deleting clause 9.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ) moved:

Motion No. 7

That Bill C–46, in Clause 10, be amended by replacing line 36, on page 5, with the following:

"10. With the approval of the Lieutenant Governor in Council of Quebec where the powers, duties and functions assigned by subsection 4(2) relate to regional development in Quebec, the Governor in Council may make".

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.) moved:

That Bill C–46, in clause 10, be amended by replacing lines 37 to 41, on page 5, with the following:

regulations for carrying out the purposes and provision of section 8.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Madam Speaker, I have the pleasure to speak to Bill C–46 on behalf of the Official Opposition, as its critic on regional development.

There are at least two major elements at stake in this bill to establish the Department of Industry. The first one concerns jurisdiction over regional development, while the second one has to do with whether or not duplication will be perpetuated in government management.

At report stage of Bill C–46, an Act to establish the Department of Industry, the Bloc Quebecois proposes that clauses 8, 9 and 10 be amended by inserting, at line 21 in clause 8, line 21 in clause 9, and line 36 in clause 10, the following: "With the approval of the Lieutenant–Governor in Council of Quebec when it is a field related to regional development in Quebec —"

What does that mean? It means that the federal government does not have jurisdiction over regional development in Quebec and that the province is the only one with the authority to define policies and set up structures in that field.

• (1030)

The constitutional coup against Quebec represented by the Constitutional Act dated November 5, 1981, to which Quebec never subscribed in spite of the fact that it represents one quarter of the Canadian population, allowed the federal government, by claiming it had jurisdiction regarding regional disparity, to give

itself unlimited spending power and therefore also give itself every power concerning regional development.

The 1982 unilateral patriation of the Constitution is federal interference in Quebec's regional development since, as you all know, regional economic development is not a jurisdiction included in the 1867 Constitution.

Bill C–46 is a logical follow–up to the Constitutional deal which was struck in November 1981. It is part of the plan of the Liberal Party of Canada to isolate Quebec, to direct the economic development of Quebecers and to deny their distinct identity by making Quebec's development contingent on federal regional development policies.

In Bill C–46, the government has irresponsibly chosen to ignore Quebec's regional development policies and structures. Unconcerned about duplication, although the party in power, the Liberal Party, admits duplication exists because it wants to eliminate duplication and overlap, in this case they have made it abundantly clear that they want to preserve this duplication by refusing to recognize Quebec's sole responsibility for regional development. They prefer to ignore existing duplication and overlap just as they prefer to ignore the wasteful spending of public funds. The Minister of Industry and his Liberal colleagues want to increase their interventions in Quebec through this bill.

In section 9(1)*(a)* and *(b)* it says that the Minister of Industry, and I quote:

> —with respect to regional economic development in Quebec,
>
> *(a)*in co–operation with other concerned ministers and boards and agencies of the Government of Canada, formulate and implement policies, plans and integrated federal approaches;
>
> *(b)*co–ordinate the policies and programs of the Government of Canada;

I think we can clearly interpret this as a full scale invasion of regional development in Quebec and a federal takeover of development and policies in this area.

However, the government party must realize that for decades, Quebec has had regional development programs that were far more effective than federal intervention has ever been in this area.

The federal Liberal government, with its two–fold obsession with developing the industrial centres of Quebec's metropolitan areas while ignoring the rest of the province, and with spreading the federal, centralist gospel right and left, without any policies for co–ordinating the interests of those concerned, has often acted in ways that have proved disastrous for Quebec's peripheral regions.

Madam Speaker, in this House I had an opportunity to refer to an impact study of federal regional intervention policies in Quebec, policies that, because of this intervention focussed on large urban centres, have had a devastating effect in the regions, since we now see that peripheral regions throughout Quebec have lost their young people and experienced a decline in population.

In its second report, the Conseil des affaires sociales du Québec pointed out that the situation was disastrous in all Quebec's peripheral regions. The number of municipalities and peripheral regions where the population has declined increased to an alarming extent between 1971 and 1988, when federal intervention in regional development was at its peak—in other words, the better part of the period when the Liberals were in power in Ottawa—so that today, they outnumber communities experiencing population increases. Young people are the first to leave their regions for the big urban centres.

• (1035)

That is the result of the federal regional development policy. In the Gaspé, the Magdalen Islands and other rural areas of Quebec, solidarity movements have sprung up to restore hope to local communities and begin work on comprehensive, integrated development. They include, among others, Coalition urgence rurale, Ralliement des Gaspésiens et des Madelinots and Rural Solidarity. The numbers and types of development partnerships are increasing.

Businesses, unions, local authorities, and the co–operative movement no longer hesitate to take charge of their own development. These players have sought, when appearing before forums such as the Bélanger–Campeau Commission, to promote the idea that, for instance, control of economic development levers must rest with Quebec and that decision–making powers must be decentralized, and to obtain a consensus in this regard. The major consensus that has emerged fits in with regional development in Quebec, and there is growing consensus that the federal government should be told clearly to withdraw from regional development, an area in which it does not belong.

As I have already mentioned, regional development is not a separate area of responsibility in the Canadian Constitution, thus forcing Quebec to take part in unending and fruitless negotiations such as those involving the regional economic development agreements. Bill C–46 confirms the federal government's determination to take over regional development in Quebec.

It also points up the stupidity and waste of such an insistence on interfering, which leads to still more duplication and overlap. Let me give an example. Under section 9(1)(b), the Minister of Industry, through the responsible minister in the Federal Office of Regional Development—Quebec, shall collect, compile, analyse, coordinate and disseminate information with respect to regional economic development in Quebec, thus enabling the federal agency to undertake a series of studies and analyses with the purpose of defining socio–economic profiles for each region of Quebec.

Studies released by the FORDQ in November, a few weeks ago, studies that were a total waste of time and which were conducted on a region–by–region basis in Quebec, are examples of a monumental waste of money and energy, because it so happens that Quebec has produced its own studies and analyses on each region of the province this past year, in preparation for regional strategic development plans. I have perused the studies released by the office and noticed that the Federal Office of Regional Development—Quebec had wasted money, using the same statistics and reaching the same conclusions, region by region.

Since such studies cost money, this confirms that this government is ignoring what Quebec does in that area and spends money needlessly on duplicating studies that have already been done. To conclude, the federal government must withdraw from regional development and recognize that Quebec only has jurisdiction over economic development on its territory. That is what our amendment, the Official Opposition amendment, is about.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, I am very pleased to enter the debate at this time. If I understand correctly procedurally we are debating Motions Nos. 2 to 8. Is that correct?

The Acting Speaker (Mrs. Maheu): That is right. We are debating on the group of motions. Since you are one of the proposers you can have the floor.

Mr. Schmidt: Madam Speaker, I will address very briefly the particular motion that was just presented. I will put my interventions primarily in terms of our reasons for presenting the motions we wish the bill be amended to meet. I would like to focus and couch my remarks in terms of three principles.

• (1040)

First, there ought to be within legislation checks and balances to ensure openness, honesty and integrity on the part of government and on the part of the ministers who bring about the implementation of government policies.

Second, it is the marketplace that should determine winners and losers in business, not government.

Third, the government's role is to provide a level playing field so that competition can be equal, that there be fair administration and that the refereeing be done in such a way that the conduct of manufacturing, trade and commerce is in fact fair and equitable.

The result of these kinds of principles would be to develop confidence in business and government and of course in oneself. It would enhance international competitiveness for the nation and for individual businesses. Another consequence is the ability to meet the challenge of a new economy which is so necessary.

The Department of Industry is a major and very important department in this government. It has a wide ranging impact on the economy of this country and indeed on the jobs and on the welfare of many Canadians at all age levels. It is important that we recognize the significance of this department.

This legislation enshrines and should enshrine in this department as much scrutiny as possible so that we can determine precisely what is or is not meant in the particular clauses. This is why I wish to address these particular motions whereby we want to bring about certain amendments.

I wish to start with the amendment to clause 8(a). Our amendment proposes that clause 8(a) be deleted. Now clause 8(a) reads that the minister shall: "promote economic development in areas of Ontario and Quebec where low incomes and slow economic growth are prevalent or where opportunities for productive employment are inadequate".

The reason we would like to see that stricken from the clause is that in principle we object to the idea of regional development for a minister who has responsibility for all of Canada. There is a conflict of interest here in principle to begin with. One should not prefer one region of the country over another. Certainly that is implicit in this kind of provision.

Regional programs have proven to be preferential and the way in which certain pork barrelling projects have been created, many of them questionable and sometimes with disastrous results. The government being engaged in these types of things separates regions in one area of the country from another. That in itself is disunifying. It divides the country rather than brings it together, which is what we want to do. I personally and the Reform Party want to bring about equality rather than divisiveness. In order to accomplish that the provision in the act found in clause 8(a) needs to be taken away.

With respect to clause 9, our proposal is to delete the clause completely. That of course is the administrative, or if you like, the empowerment section which gives the minister the way in which he or she would implement the provisions found in clause 8(a). By eliminating that clause the minister would not have the authority to go into regional development specifically in Ontario and Quebec.

Our amendment with respect to clause 10 is simply an administrative one. If we eliminate clause 8(a) and we eliminate clause 9, then of course we have to make the consequential change in clause 10.

There is a confusion in the provisions of clauses 8(b) and 8(c). Upon initial reading it would appear that they would apply to clause 8(a) in terms of Ontario and Quebec. But upon a more detailed reading and in an in depth situation they could be

interpreted as applying to all of Canada. In that case the situation is such that the minister may now have full responsibility for the economic development in areas where there is low income or where jobs are not plentiful. He can then intervene in the particular business promotion in any area of Quebec.

• (1045)

Because of its lack of clarity it is suggested that this be rewritten in such a way that misinterpretation cannot take place. If clause 8(a) is deleted then the clarification becomes unnecessary because it is then obvious.

To conclude my remarks on these motions, this section on regional development does not uphold the three principles which I mentioned earlier. It does not inspire Canadians to feel that their government is open, honest and possessed of great amounts of integrity. It does not provide for a level playing field in the marketplace and it does not provide for a clearly refereed game.

It does not allow the marketplace to determine the outcome. In other words, it gives to the government and to the minister, in particular, the power to intervene and to determine who wins and who loses. Because these principles are not observed we must recognize that we should go ahead with these. I hope that all colleagues will recognize that certain changes to the act must be made.

I would like to add a brief word about the Bloc's amendment. If clauses 8(b) and 8(c) are interpreted to give to the minister the wide–ranging powers for all of Canada, to accept an amendment such as was proposed by the Bloc a moment ago would give to the lieutenant–governor in council in Quebec the right to approve or disapprove economic development in the rest of Canada which, as far as I am concerned, warrants only one word to describe it, and that is ridiculous.

We have to be very careful that we not divide the country. We have enough stress already and to do something like this adds to that stress. If there is one thing we want to do it is to build a strong Canada that is competitive in the world, a Canada that provides for the innovation of people, that provides for a level playing field, that allows the creativity of entrepreneurs and creators at all levels to succeed, and to do so in fair competition with other individuals across Canada. No one province, no one individual should have the authority to decide who wins, who loses, other than on a fair playing field where the referee is honest, has integrity, is open and where the things that matter come to the fore.

Therefore, I urge that the Bloc's amendments be defeated and that the Reform Party's amendments be supported.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, I would like to begin by addressing the remarks that were presented earlier by my colleague from Richmond—Wolfe.

His remark that the federal government has no jurisdiction in Quebec represents a difference that I have with him, one that probably represents the single biggest reason why I decided to run for public office.

I had the privilege and pleasure of working for the man who I think was the greatest Prime Minister this country every had, Pierre Elliot Trudeau. I believe that Pierre Trudeau and his vision of this country, his feeling about making sure we had a strong national government that would make sure we had national programs that would allow us to develop a national spirit, a national will that would pull us together. He also wanted a government that was designed to make sure that when regional disadvantages occurred, the national government had the capacity and the instruments to help those people in regionally disadvantaged areas.

• (1050)

My colleague from Richmond—Wolfe says that the federal government has no jurisdiction in Quebec. Let us imagine that every provincial premier or every provincial political party took that position. That was the essence of the Meech Lake accord which is why I opposed it.

For the Bloc Quebecois to expect the government to support an amendment which essentially states that the federal government has no jurisdiction in Quebec is just not on. I believe that a majority of Quebecers would not support it either.

I accept the constructive remarks of the hon. member for Richmond—Wolfe about the fact that we have to be more efficient. We have to reduce some of the overlapping that goes on between the federal–provincial programs so we can better provide services for the people of his community, his province, as we want to do for the people in northern Ontario or Atlantic Canada or western Canada. I agree with him on that. The purpose of this bill is to redesign this department so it can become more efficient and address those concerns.

However, to go to a position where the federal government has no jurisdiction in Quebec, no jurisdiction when it comes to looking out for small and medium sized businessmen and women, no jurisdiction on retraining, no jurisdiction in special projects is not my position. From time to time we may need to use extraordinary powers to assist and promote special projects in Quebec and that is what this bill allows the government to do.

I am in this Chamber because I believe more than ever we need a strong national government. We do not need a government that is gutted. We do not need a government that is decentralized to the point where we no longer have the capacity to handle a difficult economic environment. Therefore I say respectfully there is no way we can accept this amendment from the Bloc Quebecois.

I turn now to my colleagues in the Reform Party, who I should add are in accordance with our view of making sure that we have a strong national government. They have recognized that. This is not in any way, shape or form isolating Quebec. I get very concerned when the Bloc all of a sudden thinks that we are trying to isolate them. We are trying to do the exact opposite. We are trying to make sure that all Quebecers, all Canadians, interact and exchange with each other on the total resources of this country, not just part of it.

• (1055)

Reform members have a very difficult time with some of our regional instruments like the Atlantic Canada Opportunities Agency and the western diversification instrument of government. In every high risk situation it is normal and historical, whether in business or in government, that from time to time mistakes are made and there are failures. It happens in business—

Mr. Hermanson: Especially when government is involved.

Mr. Mills (Broadview—Greenwood): Madam Speaker, I am trying to make my point. I think—

Mr. Hermanson: Who pays? The taxpayer pays.

Mr. Mills (Broadview—Greenwood): I am going to tell you who pays.

The essence of this country is those communities that are stronger, that are richer—I come from a city which is strong and rich but right now it is in economic difficulty. It is the city of Toronto. I know that my community, my city is having a very difficult time—believe that we must make sure that communities that are more disadvantaged are looked after properly and effectively by the national government.

I believe that ACOA and the western diversification fund are doing a very good job. For those reasons we will not support the Reform Party's amendments.

[*Translation*]

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, I wish to thank the hon. member who spoke before me for recognizing his government's clear identification of the need for a strong central government with an unshakeable desire to impose its will. Such a federal government, as proposed in the Meech and Charlottetown accords, was rejected not by a minority but by the majority of Quebecers, including federalists unhappy with the status quo.

I rise today in this debate on Bill C–46 so that some key amendments will be made to Clauses 8, 9 and 10 to make them acceptable. As I explained at length on October 17 during debate at second reading, I am against this bill as it stands because it does not recognize Quebec's jurisdiction over its regional development.

Granted, regional development is a complex issue. Identifying the regions to be developed is a major challenge in itself, all the more so if we try to do it from afar, without knowing each region's particularities.

This federal tactic of trying to develop regions by centralizing policy–making is not new and was not always successful. As early as September 1982, the Senate Committee on National Finance said this in a report: "Designating the least developed regions for special status to ensure that regional disparities are not forgotten is not an easy task. As DREE discovered, a political system generates enormous pressures to extend the boundaries of programs that generate cash flow. As a result, DREE ended up including more than half the geographic area of the country in the designated areas, and the purpose became hopelessly diluted".

Why these lamentable effects? Quite simply because the federal government is unable to understand that, with general policies, it cannot meet the specific needs of each province, much less the specific needs of each region.

It is utopian to pass a bill at the national level to meet particular local objectives. Instead, we need legislation that is appropriate to the development of the province concerned, with the flexibility to respond to regional requirements.

• (1100)

Quebecers see their needs for regional development very differently depending on which region they live in. I suppose that is why previous legislation created different development agencies for western Canada and for the Maritimes. That is why we believe that Bill C–46 must be related to Quebec's regional particularities and to Ontario's as well.

The need to develop a region is often related to its unemployment level. Unemployment is higher or lower in some regions for various reasons. For example, high unemployment may be due to lack of education in a region and the solution will be to train the workers there.

A second possible reason for the lack of jobs is a shortage of capital to modernize industry. This can be corrected by investing in industrial or tourism infrastructure.

A third possibility is lack of natural resources, for example, over–exploitation of forests in the past. This is what happened in my region and it must be corrected by diversification to stabilize regional development.

However, the solutions are sometimes hard to find. For example, take the price of metals on the international market. For example, if the price of copper drops, this reduces employment in the affected mining region, but the solution is not to keep mines open at all cost.

How can we protect or develop a region where companies have a harder time to survive in the context of international free trade? For example, in the case of Montreal's textile industry, the solution could be found by that industry and its workers, with the help of regional development consultants.

These examples show that, for optimum results, solutions to regional development issues must be found in the region itself. This is why we insist that federal bills reflect a will to co-operate with the provinces.

Quebec developed its development tools and these tools are close to the stakeholders. Consequently, we feel that the federal government should also adopt this cost-effective approach, by increasing development tools instead of reducing them.

Lines 21, 22 and 23 of Clause 8, on page 4 could provide a good example of efficient co-operation between the federal government and the provinces. That clause currently reads as follows: "The Minister shall exercise the powers and perform the duties and functions assigned by subsection 4(2) in a manner that will—", but it should say: "With the approval of the Lieutenant-Governor in Council of Quebec"—we could also say Ontario, since this bill concerns both provinces—"when it is a field related to regional development in Quebec, the Minister shall exercise the powers and perform the duties and functions assigned by subsection 4(2) in a manner that will—".

We want to link regional development to the power of Quebec to decide and the power of regions to select priorities. The amendment to clause 8 is intended to reflect respect for the strategic development plans of the regions in Quebec and should apply to all regions in Canada. We have had enough of this competing by various levels of government at the expense of the regions, because we want to eliminate waste and inefficiencies.

In my own region, considering the unemployment rate and the exodus of our young people, there is a very clear case for making proper use of any instruments we are given and for avoiding federal products that are not adapted to the needs of the region.

In the past few months I talked to senior officials at the Federal Office of Regional Development about the need for reviewing the agency's 1994-95 priorities for our region.

Their new focus is to promote entrepreneurship that will use new technologies to create jobs. There is nothing wrong with that, but this should not be done in total disregard of the choice made by our region, which wants to focus on infrastructures for tourism. The Abitibi—Témiscamingue region wants to acquire the basic infrastructures that will attract tourists to our region for more than a few hours. People have to travel long distances to get there, and we could sell our region if points of interest were sufficient to make a stay of several days worthwhile.

• (1105)

Tourists will not drive 600, 700 or 1,000 kilometres just for the sake of driving. The FORDQ previously subsidized tourism facilities which, it felt, contributed towards developing the economy, but now its focus has changed. Other priorities may be acceptable, but the region's decision to set a priority on the tourism industry should be supported by the federal government and the regions should not be saddled with priorities that are not often acceptable.

People in the community of Radisson near James Bay do not see how the new focus of FORDQ would fit their situation. The only development they could sustain is tourism. They have neither the population base nor the industrial environment for these new development priorities and new technologies. Let us be practical and use the tools we have.

The people of Radisson want to use the far north as a tool to attract adventure tours and other types of tourism. The federal government should realize that the intent of our motion to amend clauses 8, 9 and 10 is to maximize effectiveness by focussing on the needs of the community and thus promote regional development. The gap between developed and undeveloped regions is widening, because in the past, these regions did not have the right development tools.

Quebec has approved a policy to decentralize regional development. Ottawa should also agree to decentralize and consider the particular needs of each region. Regional development councils in Quebec, which include of the mayors of MRCs and regional intervenors, have already designed their own development scenarios. They know what their needs are, and the federal government should consult them so as to harmonize its projects.

I think this brief presentation has sufficiently clarified the intent of the amendments to clauses 8, 9 and 10. Failure to support these amendments will reflect the present government's reluctance to co-operate with the provinces and spend the scarce amount of funds available more effectively.

[*English*]

Mr. Mills (Broadview—Greenwood): Madam Speaker, as I was listening to the member for Abitibi I imagined that this member could actually be giving this speech from any region of the country. He talked about the importance of tourism, education, enough capital coming to a region, proper and efficient utilization of our natural resources—

The Acting Speaker (Mrs. Maheu): The hon. parliamentary secretary has already spoken on this group of motions and I

would now like to recognize the hon. member for Fraser Valley West. We can intervene only once on each group of motions.

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, the hon. member's speech probably would have been so good I would have been happy to let him speak for a little longer—

Mr. Mills (Broadview—Greenwood): We could get unanimous consent.

Mr. White (Fraser Valley West): You will not get my consent to speak in my spot.

Yesterday we talked about regional development grants in the House. Yesterday we heard a member of the Liberal Party taking credit for the great growth in the economy since the Liberals have been elected.

I reminded the hon. member that this is really the business cycle, the natural business cycle in this country that is taking place. This government should in no way take credit for what is a natural business cycle. Of course the comment—

Mr. Mills (Broadview—Greenwood): We don't take any blame either for anything.

Mr. White (Fraser Valley West): We will give them the blame. They are suggesting that they should not get the blame but we will give you all sorts of blame in some areas.

This is a natural business cycle, my point being that as we stand here in the House of Commons taking credit for how well things are coming along the average taxpayer out there who is getting hit harder and harder and has less and less money looks at us on television and these other ways of communicating today and wonders what in the heck is going on in the House of Commons. These politicians—

Mr. Mills (Broadview—Greenwood): We wonder where you got that tie, Randy.

Mr. White (Fraser Valley West): You see how important this is, Madam Speaker. The Liberals are at me for my tie. Rome is burning and they are at me for my tie.

• (1110)

My point is that while we talk about taking credit for business cycles and so on, Rome is burning to some extent. The average taxpayer is wondering what these federal politicians are really doing in Ottawa.

Yesterday I also heard comments in the House from one of our colleagues in the Liberal Party who was very concerned about my criticisms of ACOA, the regional development agency in Atlantic Canada. The comment was Reformers do not like Atlantic Canadians because we have the audacity to complain about regional development grants.

The relationship between complaining about grants and not liking a certain region is ridiculous. Yesterday I heard from one of the Bloc members: "You had better be careful what you say about the east; you are talking about FORD–Quebec". It is not about the people and where they live. It is about how much money we have in this country.

Today we hear about the federal government's central control over regional development, about the funds that are going its way. We also hear the PQ, the separatists, talking about how this is so much of a waste: "We are doing it in our province anyway and the federal government is wasting its".

We hear the Liberals saying they are going to keep it the same and big daddy is going to hand out all the regional development grants to everybody.

What people are hearing from the Reformers is the logical approach. Should we be handing out in excess of $1 billion a year in regional development grants when we are overspending by $40 billion a year and we have a $530 billion debt load? We have to get some priorities in place.

The people watching and listening must think this is all a nightmare. We are talking about giving moneys out to regions and the amounts given out are not small dollars. ACOA, the Atlantic Canada Opportunities Agency, is over $375 million a year, FORD–Quebec is in excess of $437 million a year and western economic diversification is $452 million a year.

We have to borrow this money to give out. We are saying let us be a little more realistic here, folks. We have to cut back, if not over a period of time eliminate this. I have some ideas on where to eliminate. I will show today some of the ridiculous grants that have been given out by this government—

Mr. Mills (Broadview—Greenwood): Madam Speaker, I rise on a point of order. I do this with respect. The member knows of my affection for him. However, I am having a difficult time linking the relevance of what he is saying to the actual amendment. I would ask for clarification on that.

Mr. White (Fraser Valley West): Madam Speaker, I am surely not required to give an explanation to somebody from the Liberal government on how I express—

The Acting Speaker (Mrs. Maheu): I am sorry. The hon. member should, however, be relevant.

Mr. White (Fraser Valley West): Madam Speaker, I just heard these people here, these separatists, talking about regional development. That is what I am talking about. I am not going to stand here and justify to a member, Madam Speaker. I can justify to you. This is about regional development and that is what I am

going to talk about whether this government likes it or not. I will continue my speech on regional development if the member does not mind. I hope this time is added on to my speech.

The concept of regional development is what we are talking about here. We will try to get a concept through these minds here. As I understand it and as the Auditor General has so reported the concept, it is to support and promote the opportunity for economic development, to foster development of entrepreneurship, to increase the rate of new business formation and to improve competitiveness of small and medium size business.

• (1115)

I find the concept of entrepreneurship and government sponsored dollars incompatible. That is something this government has to learn as well.

For instance I have been tracking some of the payments made by this government. There is an individual who has received the entrepreneur of the year award in one of our great provinces. He has received something like seven or nine grants from one of the regional economic development programs. I find that hard to understand. It is an oxymoron. To be the entrepreneur of the year and have the government shovel money your way just does not fit, but I do not think this government understands this.

Mr. Mills (Broadview—Greenwood): You do not understand that?

Mr. White (Fraser Valley West): As far as the value to industry, this is an industry bill. I am still relevant, am I Madam Speaker? I am just making sure.

I have a great deal of difficulty with the concept of regional development in industry and shelling out the dollars. We have to start eliminating these four regional development programs. This government is handing out $1.4 billion a year and a lot of that is shelled out not for the concepts I talked about. It is not necessarily for fostering entrepreneurship. It is not necessarily to increase the rate of new business formation and improve competitiveness. In fact, improvement of competitiveness philosophy really does not work at all in some cases from regional development grants.

For example, there are some regional development grants given by this government to motels and inns across this country, but the trouble is it gives to one and not to another. How do we get competitiveness by giving a grant on the backs of the taxpayers to one and not to another? I do not understand that philosophy at all.

Members of the Liberal Party stand in the House and say: "Big daddy is going to pass out your money", and another party says: "You should not be doing that. We have our own. You are wasting the money". Rather than doing that, maybe for a moment they should consider phasing them out. If a government has to borrow from Japan, Germany or the United States to hand this money out it should really consider its management style.

Mr. Mills (Broadview—Greenwood): I cannot believe you are saying this.

Mr. White (Fraser Valley West): Well I am saying it and I mean it.

Mr. Stinson: And the taxpayers mean it too. They are tired of it.

Mr. Mills (Broadview—Greenwood): You guys are missing the point.

Mr. White (Fraser Valley West): What about the young people coming behind us? What about the debt load we have taxed to these people? What about the taxes the small business person is paying? What about the interest that Canada itself must pay to pay back the debt? It is all borrowed money on the backs of the taxpayers and the young people so that this government can shell out $1.3 billion a year to regions.

Do we need grants? Why do we need grants? Why do we need regional development? Regional development is important. But to the Liberal Party regional development means shelling out dollars to those you know. Next week in this House of Commons I will be disclosing some of those they know who get money.

Mr. Mills (Broadview—Greenwood): What would you do? You say it is important. But what do you mean by that?

Mr. White (Fraser Valley West): Only when it is absolutely necessary should the government be in the business of private industry.

Mr. Mills (Broadview—Greenwood): Give us an example.

• (1120)

Mr. White (Fraser Valley West): Madam Speaker, not to expand a tea room for $99,000. They call that regional development and it is not. Not to modernize a campground and facilities. That is up to the owner with his profits. It is up to the individual to expand in regional development.

Finally, this government really does not have a clue on regional development. We heard the separatist party here talking about what is wrong with it and we are saying the government cannot afford it. And I think I was relevant.

The Acting Speaker (Mrs. Maheu): I would like to remind members that Motions Nos. 2, 3, 4, 5, 6, 7 and 8 will be grouped for debate but voted on as follows:

A vote on Motion No. 2 applies to Motions Nos. 4, 5 and 7. An affirmative vote on Motion No. 2 obviates the necessity of the question being put on Motions Nos. 3, 6 and 8. On the other hand, a negative vote on Motion No. 2 necessitates the question being put on Motion No. 3. A vote on Motion No. 3 applies to Motions Nos. 6 and 8.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(1)(8) a recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 4, 5 and 7.

Mr. Werner Schmidt (Okanagan Centre, Ref.) moved:

Motion No. 9

That Bill C-46 be amended by deleting Clause 14.

He said: As with respect to our amendments to clauses 8, 9 and 10, we wish to address the amendment to clause 14 with the same kind of principles we used to evaluate and analyse the others.

In particular, we want to suggest to the House again that it is the obligation of government and it is and should be the intent of legislation to provide checks and balances to ensure openness, integrity and honesty in the performance of the duties and responsibilities incumbent upon government.

Second, the marketplace should determine winners and losers, not the government or intervention by government or its ministers in that marketplace.

Finally, the role of government is to provide a level playing field so that competition can be equal, fair and on a level playing ground so that the refereeing of the game of business is in fact conducted in a manner that provides success for as many as possible.

The results of the application of these principles is confidence for business and government and it certainly enhances the international competitiveness and the ability to provide for changes in the new economy that is coming.

I wish now to address the particular amendment to clause 14 which really is to eliminate and delete from the bill the total clause. There are a number of reasons we would like to propose that clause 14 be deleted from the bill.

Clause 14 gives to the minister a tremendous range of powers. May I just quote briefly from the provisions of the bill. The bill suggests that the minister under this act may:

(a) make loans to any person;

(b) guarantee the repayment of, or provide loan insurance or credit insurance in respect of, any financial obligation undertaken by any person; and

(c) make grants and contributions to any person.

• (1125)

The broad range of power given to the minister under this section is such that it makes it possible for that minister to intervene directly in the marketplace on behalf of or against any business or individual or group of persons, organizations or associations.

We believe that that provision is most objectionable and must not be allowed to stand. It allows the minister or through the minister under certain conditions that follow in the other sections the cabinet to pick winners and losers in the economy.

The authority violates a fundamental principle of openness, honesty and integrity. As we know, and history has shown over and over again, power tends to corrupt and absolute power tends to corrupt absolutely.

The provisions of this act are such in this clause that the minister can without reference to anyone do the kinds of things we talked about: make loans, give grants and things of this sort.

The government's role is to regulate the marketplace so that it is level but not to intervene and choose winners and losers by that intervention. If business is to succeed then it must be allowed to do so without having competitors gaining unfair advantage as a result of government intervention of one kind or another, particularly when it has to do with monetary assistance in particular areas.

If a business or a business sector is going to fail, it should do so because it lacked the competence or for some other reason it did not succeed. The government assistance should not be used to prop up a business that cannot survive in its own right. If the only way a business can survive is by government intervention and by shoring it up then indeed that business is of questionable integrity and questionable work in the economy.

I would like to refer particularly to what can happen when government intervention of this kind takes place. I refer here to the 1993 Auditor General's report with regard to the then Department of Science, Industry and Technology now known as the Department of Industry.

There we have a very interesting situation. In 1985, the cabinet authorized the Minister of Finance to provide an equity injection into the Federal Business Development Bank to enable that bank to purchase a $69 million special issue of preferred shares.

Subsequently, that was increased to $79 million, only $10 million more. The investment of the company was made pursuant to a directive of the governor in council and executed by the Minister of Regional Industrial Expansion, then Industry, Science and Technology and currently Industry. It was done under this clause and a subsequent clause in section 14.

On October 26, 1986, the government signed a share subscription agreement with a company for a two stage $260 million plant modernization project.

The information provided to cabinet for its approval on October 7, 1986, identified a specific Russian technology for the project. This technology was described as the newest and best available in the world. The company decided to switch from the Russian technology to new German technology which it purchased in September 1986.

Cabinet was not informed of the major change in this project. What was the result of all of these kinds of changes? The company's new plant using the German technology attempted startup in December 1989 and suspended operation in March 1990.

In December 1992, two years later, the company advised the Department of Industry that it could not complete stage one before December 31, 1992, for reasons beyond its reasonable control thereby suspending its obligation under the agreement.

In 1990 the department estimated that the Federal Business Development Bank was unlikely to recover its investment or earn any dividends. To date, the bank has received no dividends. In fact the Federal Business Development Bank wrote that particular investment down to zero. The agreement, however, remains in force until the year 2006.

• (1130)

The company's audited statement of total capital expenditures for the project at May 31, 1990 indicated that the company had incurred costs of $161 million. With $134 million that came from the federal government and some from the British Columbia government, the company was out of pocket $27 million and then only because of cost overruns. Had these cost overruns not occurred, the company's share in the project at that point would have been zero.

That is not the way to use taxpayers' money. The emphasis on it being best left to the private entrepreneur is the principle the government should observe and not use tax dollars to do these kinds of things. This clause of the bill should be deleted.

Many of the clauses are unclear. They are intrusionary. They are elitist. They allow the government and the minister in particular unlimited opportunities to interfere in the free market, and the cabinet as well under another section. In my remarks today I have shown that the legislation needs clarification. There are things that should be deleted from it. There are powers that should be circumscribed; the minister and the cabinet should not have these powers. They unbalance the very fundamentals of our economy and can strangle our treasury, as was already indicated in the Auditor General's report.

We should get to the point where the government does not take winners and losers but in fact develops a level playing field. The Department of Industry can be the department to bring about a strong engine that will drive the economy and bring about a balanced budget. That is what the department should do. However the way to do that is not by intervening directly in the marketplace through particular regional development programs or by providing loans, grants and subsidies to industries. The minister has the right to do this for any particular person and is not obligated to require that certain conditions be met for those loans.

At this point the legislation, the way it is being proposed, needs to be amended as we have suggested.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, my Reform Party colleague from Okanagan made so many assertions in his speech that I do not know where to begin. I challenge his statement that this clause works against open government.

That is just not so. In his discourse the member referred to detail about the Federal Business Development Bank. It was proof of public accountability for nearly every transaction that goes on in government and specifically in Department of Industry. The blue book details—and the people of Canada should know it—every decision and every taxpayers' dollar spent by this department.

To suggest that clause 14 allows the Minister of Industry to go around with a chequebook in his pocket so that if he happens to run into somebody he likes or he thinks has an interesting idea he can write a cheque is not what it is all about.

This clause is about our space arm. Spar Aerospace was an example of the taxpayers of Canada investing approximately $140 million in 1979, 1980 and 1981. When that arm opened in outer space and the word Canada was on the side of it, I do not think there was a Canadian who said anything other than bravo. Today that space arm technology has brought the country a tenfold return.

• (1135)

What about the McCains? The Reform Party member said we should listen to private entrepreneurs. That is an example of a private entrepreneur in Atlantic Canada who got his $4 million kickstart from the Government of Canada in a DREE loan. Right now he is employing close to 20,000 Canadians in every region of our country, all the way from processors to marketers to packagers to truck drivers and so on. He is a private entrepreneur and has paid back in tax dollars and employee tax dollars a thousand times the investment. What about Bombardier? It is

selling monorails all over the world right now. It is doing all kinds of stuff.

I will talk about a personal experience I had. I was involved with a company called Magna International that received taxpayers' money. It not only paid it all back but this year it paid the treasury $145 million in tax. It employs 20,000 people and is flying. The company needed it. It was the story of an entrepreneur getting a bit of a push for his idea, his technology. That company makes the best automotive product at the most competitive price and is recognized as one of the leaders in the world.

What about Northern Telecom? What about MacMillan Bloedel in western Canada? What about the oil and gas industry? These are concrete examples of entrepreneurs, men and women, who went through due process and received taxpayers' money.

There is another thing Reform Party members do not understand. They think if someone has an idea he or she knocks on the door of Industry Canada and there is a cheque writing machine there.

I like to think I am an entrepreneur. I find the whole process of dealing with bureaucrats to be very frustrating. They want paper and more paper. They want to make sure the promised job creation objectives are being met with the taxpayers' money. They come in and do audits. There is scrutiny beyond imagination.

I would be the first to admit that the Government of Canada has made mistakes from time to time. If they add the last 20 years of taxpayers' money invested in R and D, in new technology and in regional development projects versus the return, Reformers would suddenly come across the Chamber and join us.

Mr. Stinson: Then why are we so far in debt? Why is the country so far in debt?

Mr. Mills (Broadview—Greenwood): Madam Speaker, I want to take a minute to answer the question about why are we so far in debt.

We should not be punishing or casting aspersions on entrepreneurs who have had some financial support from the Government of Canada and have more than paid back the investment not only in terms of payback on loans but also in taxes. It is not relevant but I will deal with the member's question. Why the debt? They should not hang the debt on the entrepreneurs of the country. If that is what the Reform Party is doing now, hanging the debt of the country on the entrepreneurs, the small and medium sized business—

Mr. Stinson: No, it is your policies.

Some hon. members: Oh, oh.

The Acting Speaker (Mrs. Maheu): Would the hon. parliamentary secretary continue.

Mr. Mills (Broadview—Greenwood): Madam Speaker, it is interesting to hear the Reform Party. We have been in the House one year and now the Reform Party is against entrepreneurship.

• (1140)

Mr. Schmidt: We are against your pork barrelling. That is what we are against.

Mr. Mills (Broadview—Greenwood): I quote directly from the member's speech: "Government assistance should not be used if a company cannot make it on its own".

There is not a single entrepreneur in the country, whether it was through the tax act, some form of grant, loan assistance or whatever, who has not received some sort of recognition and support from the Government of Canada or the various provinces.

All they have to do is look at the tax act of Canada to see $40 billion worth of tax grants buried there. Most of them are going to businesses in the member's riding and now he is against entrepreneurship. We will not support this amendment.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Madam Speaker, I am a little surprised to hear what the hon. member from the Reform Party had to say immediately after the speech the hon. member for Fraser Valley West had given, emphasizing that the government was to step in only when necessary. He was in fact leaving the door open to some government involvement, while in the amendment and the remarks made by the hon. member for the Reform Party who spoke just before me, the door is totally closed.

Deleting, in Clause 14, lines 19 to 47, on page 7, and lines 1 to 8, on page 8, is absolutely unthinkable, as far as we are concerned. Let me explain. Again, this Reform Party proposal shows that this party is totally out of touch with economic reality. It cannot conceive the role of the State as that of an economic leader, a developer. It sees it more as a wait–and–see role, if not that of a killjoy.

By deleting large portions of Clause 14 which enables the government, through its Minister of Industry, to influence small and medium size businesses to facilitate the implementation of programs or projects under the act, the Reform Party shows, once again, its commitment to fostering wild liberalism: "Let us go. We will see where it leads us".

The Bloc Quebecois can only condemn such an attitude, an attitude of permissiveness with respect to the market economy. You cannot just say: "Go at it, any which way you want". I think that the State has a role to play as an economic leader, and a

promoter of development. I think that is part of the responsibilities of the State.

Therefore, we think it is essential that the government be able to have a say concerning loans that may be made, guarantees that may be given and loan insurance or credit insurance that may be provided, as stated in paragraph 14(3)(a).

Unlike the Reform Party, we feel it is also essential that the government be able to make loans and guarantee the repayment of any financial obligation or provide loan insurance ir credit insurance and make grants and contributions.

The Premier of Quebec made it clear —he sent clear signals— when he said that the State must be an active player in the economy. It must not assume the role of a banker, but its certainly can guarantee repayment for SMEs, which are recognized as creating the most new jobs, to promote their development and help them face this free trade, global market, high–tech, competitive context. In a nutshell, support the development of businesses. The primary role of the state is to be an economic leader and developer.

Quebec, as we know it today, is the product of the emergence of a state actively involved in the economic development of its territory since the beginning of the 1960s. Take for example the great success of Hydro–Québec, the major role played by the Quebec deposit and investment fund and, more recently, the success of the Solidarity Fund, which go to show that the economy of the community has to be made available to small and medium size businesses, indeed, the ones that generate the most employment.

Minister Paillé has just implemented a program for SMEs, to guarantee repayment to a maximum of $50,000 for SMEs, people who have ideas, who can implement ideas, create jobs and develop them.

• (1145)

That is what we call economic support. Action must be taken to support the people who are very active in terms of development and job creation. There are many out there who have ideas and can set up businesses.

The Bloc Quebecois can only express disagreement with this presentation and the Reform Party amendment. Because we recognize that any State has a role to play as a developer and must support economic development, particularly as regards SMEs, we are clearly opposed to the amendment brought forth by the Reform Party.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(1)(8) a recorded division on the proposed motion stands deferred.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ) moved:

Motion No. 10

That Bill C–46, in new Clause 21, be amended by replacing subclause 2 with the following:

"(2) The Minister shall, at least 60 days before the date on which the Minister fixes or increases a fee under sections 18, 19 or 20, cause to be published in the Canada Gazette and in no fewer than two leading newspapers in each province a notice clearly indicating

(*a*) the products, services, rights, privileges, regulatory processes, approvals or use of facilities provided under these sections; and

(*b*) the fees to be fixed or increased pursuant to these sections."

He said: Madam Speaker, the Official Opposition has a pretty straightforward position on clause 21(2). Our amendment is aimed at putting things right side up instead of upside down.

This clause of Bill C–46 found in the third report of the industry committee says in part (2) that, after setting fees under sections 18, 19 or 20, the minister has 30 days to publish these fees in the *Canada Gazette* so that Treasury Board can pass regulations to authorize them.

People are notified 30 days after the fees have been set. This is totally unacceptable. This is a devious way to increase taxes without notifying taxpayers or notifying them after the fact. Something is wrong here.

We also detect an attempt to give disproportionate powers to senior officials, since this clause enables them to set fees without the approval of the House of Commons. They will simply bypass those elected by their fellow citizens to manage the affairs of state.

This provision of the bill is clearly undemocratic, in our opinion, since fees can be set without the approval of lawmakers. The doors are wide open. That is why the Bloc Quebecois tabled this motion:

(2) The Minister shall, at least 60 days before the date on which the Minister fixes or increases a fee under sections 18, 19 or 20, cause to be published in the Canada Gazette—

Not 30 days after but 60 days before, so that we can respond and look into the matter.

Let us be serious. I am telling the Liberal government to stop using devious means to increase taxes and make all Canadians poorer.

The Bloc Quebecois is simply asking the federal government to stop managing the Quebec economy, either through fee–setting policies or regional development. That is why we oppose this amendment.

• (1150)

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, the member raises a very good point here. The part of his address I want to deal with is the statement he made that this basically overrides the rights of the legislators.

Members of our statutory instruments and regulations committee brought that very point up about three weeks ago, that the flaw did exist in the bill. The government recognized this was an override. We believe our amendment deals with this in a constructive way so legislators are not bypassed. I believe my colleague critic from the Reform Party shares that view.

I want to say something to the member dealing with this whole notion of overriding legislators. The Prime Minister, whom I have had the pleasure of working with since 1980, who has come up through the ranks as a parliamentary secretary, a young MP, is very sensitive to making sure the individual roles of legislators in this House of Commons are meaningful.

The Prime Minister has stated this on several occasions. It is part of the red book. We do not come to this city day in, weekend in and weekend out, making sacrifices with our families and friends to be subservient to unelected officials or bureaucrats. That is why our committee process has reached in my judgment a new level of reform.

Our committees are almost independent now. I would not want to say we are totally independent because the government obviously has a majority in terms of the members. There is a push by the Prime Minister to encourage MPs to develop their ideas, to get control of their own agenda and do what they believe in.

I believe the amendment we proposed in committee meets the concerns the member from the Bloc raised in his address. We would be supporting our own motion and we therefore would not be supporting his.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, I think we would all honour the intention of the amendment being proposed by the Bloc. I have addressed the idea of having openness. Making sure there is a certain element of knowledge that is open and fair to everybody who wishes to have that information about fees and things of that sort is very laudable. I certainly commend that.

I do agree with the hon. parliamentary secretary to the minister that the government saw the error of its original proposal in the bill as it was originally written, bringing to the committee a whole series of amendments that I think does meet the intent of the Bloc member's comments.

There is another principle that needs to be observed. There has to be a certain freedom to do the things that are right by government. There has to be an openness. The accountability of government has to be observed.

The amendments that were proposed and accepted in committee that are now in the report of the bill that will be voted on at third reading will meet not only the intent but also the detail of the member's suggestion.

Therefore I would respectfully suggest that we all support the amendments that come out of the committee and that we defeat this amendment.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(1)(8) a recorded division on the proposed motion stands deferred.

The House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House.

Call in the members.

Pursuant to Standing Order 45(5)(a), I have been requested by the chief government whip to defer the division until a later time.

Accordingly, pursuant to Standing Order 45(6) the division of the question now before the House stands deferred until Monday at the ordinary hour of daily adjournment, at which time the

bells to call in the members will be sounded for not more than 15 minutes.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to further defer that vote until Tuesday at 5.30 p.m.

The Acting Speaker (Mrs. Maheu): Does the hon. government whip have the unanimous consent of the House to defer the vote until Tuesday?

Some hon. members: Agreed.

* * *

STANDING COMMITTEE ON FINANCE

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I think you would find unanimous consent for the following motion:

That the Order of the House, made November 30, 1994, concerning the report of the Standing Committee on Finance pursuant to Standing Order 83.1 be amended by changing the words "December 7, 1994" to "December 8, 1994".

(Motion agreed to.)

SUSPENSION OF SITTING

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to suspend the sitting until 2 p.m. this day.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.59 a.m.)

SITTING RESUMED

The House resumed at 1.57 p.m.

The Speaker: It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

INTERNATIONAL DAY OF DISABLED PERSONS

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I would like to bring to the attention of the House that the United Nations has declared Saturday, December 3, 1994, as International Day of Disabled Persons.

In a draft resolution, the United Nations stated that the General Assembly was well aware of the need for more vigorous and broader action. It stated that measures were required at all levels to fulfil the objectives of the decade and world program of action concerning disabled persons.

As a member of the United Nations, Canada honours this international commitment. Our federal strategy is aimed at equalization of opportunity for disabled persons and optimization of their positive contribution to Canadian society.

The government also realizes that more has to be done. Through awareness raising and action oriented measures we aim for increased comprehension and better access for persons with disabilities. As a member of the Standing Committee on Human Rights and the Status of Disabled Persons, I too am convinced of and committed to these initiatives.

A disability or handicap is no deterrent to achievement. In politics alone, William Mr. Hughes, the former Prime Minister of Australia was hearing impaired. Former President of the United States, Franklin D. Roosevelt, was confined to a wheelchair. Trevor Morgan, a former member of Parliament, was blind. Who can forget the epic journeys of Terry Fox and Rick Hansen. The determination of these individuals and countless other disabled persons have shown that the barriers can be overcome.

I encourage all members of this Parliament and Canadians to—

* * *

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, Robin Richardson of the Fraser Institute told the media yesterday that if Quebec decides to separate and refuses to pay its share of the debt, Canada would be destitute.

It is inconceivable that an institution which claims to be serious could make such statements. Quebec sovereignists have always said openly that they would meet their responsibilities and that when Quebec becomes sovereign, it will assume its fair share of the federal debt. On the other hand, a sovereign Quebec will of course receive its fair share of federal assets.

At present, Quebec taxpayers are already bearing their share of the federal debt in the present system. But the way the Canadian government is managing its finances is cause for concern.

This is the second time in less than four months that the Fraser Institute has engaged in such speculation. In future, we hope that the institute will be a little more serious, because as Talleyrand said, anything exaggerated is not worth taking seriously.

* * *

[*English*]

INTERNATIONAL DAY OF DISABLED PERSONS

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, it is my privilege to rise today in recognition, along with my colleagues, of December 3 as International Day of Disabled Persons.

This day is to remind us of the special concerns and needs of the disabled. The Reform Party joins with all Canadians to create a fair, equitable and sustainable system for all. We believe that Canadians have a personal and collective responsibility to care and provide for those unable to care and provide for themselves.

Equality of opportunity for the disabled will come about as individuals, employers and governments at all levels work together to remove the barriers to their full participation in our communities and in our workplaces. To assist the disabled in the pursuit of their goals is both just and appropriate.

Today as we recognize the valuable contribution of the disabled, let us reaffirm our support for their desire to be an active, integral and productive part of our society.

* * *

[*Translation*]

FIGHT AGAINST AIDS

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, today our Prime Minister is attending the Paris summit on AIDS.

[*English*]

This summit is a French initiative in co–operation with the WHO. Forty–two countries representing 70 per cent of the world population will make a joint acclamation of their commitment to fight HIV–AIDS. The Paris declaration will reflect the principles and values already adopted by the United Nations for HIV–AIDS and will add a new component for nations to respond to urgent needs with practical and lasting measures. This declaration would be operational by January 1996.

AIDS is a public health issue and political world leaders have made the fight against this disease a priority. Special attention will be given to reducing the vulnerability of women to AIDS, to the important role of associations of persons living with the virus, and to strengthening national and international mechanisms for human rights and ethics as they relate to AIDS.

[*Translation*]

I am proud to say that Canada has built an international reputation as a leader in these three sectors.

* * *

[*English*]

HUMAN RIGHTS

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, on behalf of Nigerians whose voices cannot be heard from behind prison bars, I would like to draw the attention of the House to activities engaged in by the de facto government in the Commonwealth country of Nigeria as they relate to human rights.

Nigeria's circumstances represent a severe setback to the process of democratization in Africa. Mr. Abiola's election victory in June 1993 was quashed by General Babangyida, who went on to install an interim political body that yielded finally to military rule. Already the de facto government has breached the UN human rights declaration by its brutal attacks on newspaper editors, human rights lawyers and any other type of political or economic dissent. As well there is a risk of civil war on the basis of ethnic divisions.

I am requesting, on behalf of concerned Canadians, that the Minister of Foreign Affairs meet with the High Commissioner for Nigeria to register Canada's concern for human rights conditions in that country. As a signatory to the UN human rights declaration, Canada must continue to be vigilant in monitoring human rights accordance for men, women and children throughout the world.

* * *

INFRASTRUCTURE PROGRAM

Ms. Colleen Beaumier (Brampton, Lib.): Mr. Speaker, on November 21 the Queen's Square infrastructure project was launched in my riding of Brampton. This is a $15 million project funded under the Canada–Ontario infrastructure program which will result in many medium and long term jobs.

The project is being undertaken in conjunction with the project negotiated between the city of Brampton and a private contractor, John Cutruzzola of the Inzola Group. When construction is complete the downtown city core will have undergone a $50 million facelift, leaving residents of Brampton with a beautiful market style downtown core.

The national infrastructure program is putting Canadians back to work, and at the same time revitalizing communities. It is a model of how all three levels of government can co–operate for the public good. The Queen's Square project in my riding of Brampton is an example of the benefits of this co–operation when it extends to the private sector.

On behalf of my constituents, I would like to take this opportunity to congratulate the minister responsible for infrastructure for the swift and effective implementation—

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• (1405)

[*Translation*]

INTERNATIONAL DAY FOR THE DISABLED

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, the United Nations has decided that December 3 will be International Day for the Disabled. This is an

opportunity for all members of this House to become aware of the obstacles which these proud and courageous people have to face on a daily basis.

As a person who worked for the Office des personnes handicapées du Québec for several years, I am aware of the courage and determination of these people who, unfortunately, must still put up with the prejudices of those who refuse to recognize their full value. Insufficient resources and access problems, particularly in the workplace, are constant challenges for these people.

Let us hope that the International Day for the Disabled will help their cause and that these people will stop being treated like second class citizens, even here in Canada.

* * *

[*English*]

TRANSPORTATION

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, southern Vancouver Island is the fastest growing region in Canada. Currently we face a major transportation problem with the only arterial highway in and out of Victoria choked most of the time.

However, there is a solution available in the existing Esquimalt and Nanaimo Railway. We must put in place measures to ensure its viability as an effective and efficient mover of goods, services and people. It is currently owned by Canadian Pacific and operated in a grossly inefficient fashion by VIA Rail.

I encourage the Minister of Transport to convene a meeting of members of the federal government, the provincial government and Canadian Pacific to address this pressing issue. This is not an issue of politics but of public necessity. To allow this railway to be abandoned will be a gross travesty to the taxpayers as ultimately money will need to be spent to provide an alternative form of transportation to southern Vancouver Island.

* * *

HIBERNIA

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, politics should never stand in the way of signed legal agreements. I am talking about the portion of the Hibernia oil project that was given to the Saint John shipyard in New Brunswick under a signed agreement.

The board decided on Saint John Shipbuilding because it is an ice free port and because the company has the proven expertise to do the job.

This past Tuesday the Prime Minister stated that he is asking the board to review and overturn the signed legal agreement with Saint John Shipbuilding in order to put it out to tender. Under the agreement the government may be liable for expenses and damages as a result of the termination of the agreement, should it occur.

Is this what the government is all about, cancelling signed legal agreements that could cost the taxpayers millions of dollars in damages? I ask the Prime Minister to please keep politics out of a signed agreement for the Saint John shipyard. The taxpayers have paid enough.

* * *

NATIONAL TRIATHLON TEAM

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise to pay tribute to members of the Canadian National Triathlon team from my riding of Parry Sound—Muskoka who returned this week from the world championship in Wellington, New Zealand.

Don McCormick, Sue Tovee, Darlene Murdy, Barry Webb, David Vass, John Hiley and Helmut Kruckle qualified for the world championships, with five of the seven making the trek to New Zealand. At personal expense and significant sacrifice the five triathletes travelled to a country that is 18 time zones away and braved 140 kilometre winds during pre–race training sessions.

When race day finally came, the five triathletes from Parry Sound—Muskoka along with other Canadian athletes performed well for their country in the 1.5 kilometre swim, 40 kilometre cycle, and 10 kilometre run. These individuals demonstrated the true nature of sportsmanship.

I support the athletes of Parry Sound—Muskoka and know that all members of the House support the athletes of Canada.

* * *

RWANDA

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, last night I watched a documentary on CBC's "Prime Time News" regarding the mass murders in Rwanda.

I must say I am deeply shaken, as all of us should be, to learn that the genocide of a reported half million people was part of a well planned and premeditated scheme known as network zero. It has also been revealed that many in the international community had been warned of the impending tragedy.

I personally find it absolutely appalling and incomprehensible that the potential for such atrocities to occur was known and yet very little was done.

Why did the global community not mobilize in an attempt to prevent the mass killings? I have to ask also, how did the entire international community fail the people of Rwanda.

It is absolutely imperative that changes be introduced in the United Nations to ensure that the mass murders of men, women, and children never happen again.

S. O. 31

• (1410)

REFORM PARTY OF CANADA

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I have been observing the Reform Party for some time and things just did not add up about it.

Last Friday its members presented to the finance committee their plan to reduce government spending by $10 billion. On the suggestion of the member for Calgary Centre I undertook to read this document. The proposal for reductions is broken down into five parts: first, $70 million; second, zero; the third is $3.5 billion plus $.64 billion; four, $1 billion; and five is $2 billion plus $1.7 billion, plus an additional $.125 billion. This adds up to only $9.035 billion, a shortfall of $1 billion.

To ensure I was correct I had a chartered accountant, an economist, two students at Carleton University and one at Ottawa University check the figures. The results are the same. Members of the Reform Party cannot add and they do not add up to Canada either.

There is only one finance minister but it took their three finance critics to come up with this result.

* * *

[*Translation*]

AIDS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, today, on this first day of December, people throughout the world are stopping a few moments to reflect on what can be done to wipe out the terrible scourge called AIDS. This epidemic of a disease that scarcely ten years ago was little known to the public is today a cause for concern throughout the world and spares none of its victims.

According to the World Health Organization, by the middle of 1994, more than 16 million adults and one million children had contracted the AIDS virus since the beginning of the pandemic. Even worse, by the year 2000, the cumulative total of people infected by the virus will be between 30 and 40 million, while the total number of cases of full-blown AIDS will be close to 10 million. No responsible government, in the United States or in France, in Italy or in Africa, can afford to overlook the fact that the fight against AIDS must include a campaign to promote safe sex.

* * *

[*English*]

CRIMINAL CODE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, this afternoon will be the third and final hour of debate on my private member's bill C-240. This bill will permit corrections and parole officials to apply to the courts to keep high risk offenders in custody or under community supervision beyond the end of their sentences.

The government has stated that it would not support such legislation because it may be a violation of the charter of rights of the offender. So much for the promise of making the protection of society its number one priority.

Canadians are demanding protection. After the murder of 16 year old Pamela Cameron in October, citizens in my riding started a petition calling for the protection from high risk offenders.

I made public this morning a petition with over 8,000 names. In Milton, Ontario, Pamela's older sister obtained over 10,000 signatures on a similar petition that has yet to be introduced.

A recent poll indicated that 76 per cent of Quebecers support the use of dangerous offender designations against violent offenders.

I urge all members of the House to listen to their constituents and provide them with the protection they are demanding.

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MEADOW LAKE TRIBAL COUNCIL

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I rise to congratulate the Meadow Lake Tribal Council for its success in the forestry business, as reported this week by their auditors Price Waterhouse.

Federal loans worth $1.5 million, used by the tribal council to start two businesses, have paid off with a return of $10.7 million in corporate taxes.

The tribal council, led for many years by Chief Percy Derocher and today by Chief Richard Gladue, created jobs, contributed to their community and proved that there is an important and useful role for the federal government to play in support of aboriginal businesses.

The success of the Meadow Lake Tribal Council has paid off in other ways. Their contribution has helped lead to the naming of the town of Meadow Lake as Canada's forestry capital for 1995. We can all help them celebrate next year by ensuring that the federal government acknowledges this success with a continuation, indeed an enhancement, of the aboriginal business support program.

* * *

[*Translation*]

ROAD SAFETY

Mr. Raymond Lavigne (Verdun—Saint-Paul, Lib.): Mr. Speaker, I would like draw the attention of the House to two important events connected with road safety. Today marks the beginning of Road Safety Week, sponsored by the Canada Safety Council. This year's theme reminds us of the dangers of driving while under the influence of alcohol and stresses the fact that the lives of thousands of Canadians are affected each year by this

problem. Concerning another aspect of road safety, five years ago, the federal government announced that all new motor vehicles sold in Canada were to be equipped with daytime running lights.

• (1415)

This morning, the Minister of Transport released a study that found that daytime running lights had prevented thousands of collisions, so that our roads are now much safer.

* * *

[*English*]

STANDING COMMITTEE ON CANADIAN HERITAGE

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, many will recall Marlon Brando as the godfather when he muttered: "A favour is a favour".

Yesterday Liberal members of the Standing Committee on Canadian Heritage collectively played the role of godperson to the hon. member for Calgary Southeast. Hon. members should know the hon. member for Calgary Southeast refused to propose or even vote on a motion authorizing funding for witnesses from western Canada to appear before the committee, the very witnesses the hon. member had previously insisted must appear.

Lack of funding would have killed the agreement the member had vehemently insisted upon. Certainly, in the vernacular, all members have bad hair days but perhaps the hon. member would like to manger ses mots.

We must restore trust in politicians. Trust only begins when we live up to the spirit and intent of agreements made in this our parliamentary home. In her own words I would like to say again: "Anything less would be absolutely outrageous".

ORAL QUESTION PERIOD

[*Translation*]

MIL DAVIE SHIPYARD

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the government persistently refuses to right a wrong done to Quebec, by transferring immediately the contract for the construction of a Hibernia drilling sub-unit to the Quebec shipbuilder MIL Davie, the only loser in this whole business, as it was the only other bidder on this contract. Yet Hibernia argued that the time constraints and deadlines required that this contract be assigned to Saint John Shipbuilding without competitive bidding.

My question is directed to whichever minister would be so kind as to answer on behalf of the government. How is it that the government has the time to call for tenders now, when the normal practice, as the Quebec Minister of Industry indicated, is to go to the next bidder on the list if the first one is unable to perform the work?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the Hibernia benefits plan provides that all interested parties be given a full and fair opportunity to submit a bid for part of the work under the Hibernia deal.

The independent Canada—Newfoundland Offshore Petroleum Board reviewed the decision in this regard by the consortium and found that the Hibernia benefits plan had not been followed. It is only normal for the government to ask members of the consortium to review their decision. I think that makes sense because we are asking if the proper process has been followed in a way that is fair to all concerned.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the solution seems obvious. A bid has been submitted and the bidder's name is MIL Davie.

Why does the government not transfer the contract to MIL Davie, as would seem appropriate? And where does the government find the time now to launch a new bidding process, if the work was so urgent, or so we were told, that the contract had to be let to Saint John Shipbuilding in the first place?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, what the hon. member is complaining about is with respect to a decision made by the consortium that gave the contract to Saint John Shipbuilding without following the Hibernia benefits plan according to the findings of the independent Canada—Newfoundland Offshore Petroleum Board.

That is why the government is asking the consortium to review the decision because of the findings of the board. We are asking the consortium to make that decision as quickly as possible. We hope the hon. member will agree with this sensible step.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, what is the government of Canada waiting for to table the full report of the Canada—Newfoundland Board, so that everyone can take

cognizance of the facts and see that MIL Davie was treated unfairly and that the Hibernia board of directors has contravened every contract award rule in the book in this particular case?

• (1420)

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I will inquire as to the possibility of tabling the report of the Canada—Newfoundland Offshore Petroleum Board.

I think that we should also table in this House the report on the nearly $500 million in economic benefits that have accrued to Quebec as a result of some 100 contracts. As a result of these contracts and conditions, the government just could not leave the people of Quebec unaware of such crucial facts.

* * *

NATIONAL DEFENCE

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, at a press conference this morning, the minister of defence quickly tabled his white paper without any warning and without regard for the Official Opposition.

The minister of defence announced that, with the holiday season approaching, he intends to spend hundreds of millions of dollars on used military equipment. The defence minister's shopping list includes four used British submarines, helicopters and armoured vehicles.

Now that the cold war is over and that the government must reduce spending, how can the minister dare contemplate at this time the acquisition of used military equipment whose usefulness is highly questionable?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, first on the procedural matter, it is customary for government to table responses to standing committee reports in the House. That was done.

I do not think it would have been within the normal practice to have given advance warning of that. However I did give a copy immediately to a member of the hon. member's party and the critic for the Reform Party immediately upon tabling, knowing that there were at least four hours before question period within which to reflect upon it.

On the specific point regarding the major capital purchases that have been called for in the white paper, it is very important to differentiate between the helicopter purchases required to replace the Labradors for search and rescue, the Sea Kings for the combat helicopters on ships and the armoured personnel carriers for the army from the submarine question.

The submarine question is simply a matter of investigating a possible arrangement with the United Kingdom that wants to sell four used conventionally powered submarines which would assist us in discharging our maritime mandate not just on the Atlantic coast but on the Pacific coast as well.

There is no commitment on the part of the government to purchase such submarines. Simply we are looking at the matter and we would have been remiss if we had not mentioned it in the white paper.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I can assure the minister that I am quite able to differentiate between submarine and helicopter purchases!

How can the minister explain to Canadian taxpayers that, barely a year after cancelling the EH–101 helicopter contract at an approximate cost of $800 million, he has now decided to buy new helicopters to replace the Sea Kings which last spring were declared fit to fly until the year 2002 by the minister himself?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in the red book we never discounted the need for search and rescue helicopters. We said that combat helicopters for ships would be studied in the defence review. The hon. member was part of a committee that recommended we buy new helicopters.

What is important is that the Conservative government wanted to spend $5.8 billion to develop a state of the art helicopter that we did not need and could not afford. The solution that we are proposing is going to save considerably more money, well over a billion dollars and perhaps $2 billion. That is not bad economics as far as I am concerned.

* * *

GUN CONTROL

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, yesterday the Minister of Justice said:

> During the course of the last several months, I have been in continuous touch with senior officials and indeed with provincial counterparts, attorneys general and ministers of justice, exchanging views about the proposals that will be decided upon and announced this afternoon.

• (1425)

However today in a television interview he revealed that he had not spoken to some of the provincial justice ministers but hoped that he would get their support.

Given that the registration of firearms will have a significant impact upon the financial resources of the provinces and territories, why did the minister not get the support of provincial justice ministers before the fact, not after?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the government is confident it has the support of the vast majority of Canadians in the decisions we announced yesterday with respect to firearms.

In terms of the provinces and territories, as I made clear yesterday I have been in direct contact with some of my provincial counterparts. Throughout the process the Department of Justice has been in continuous contact with senior officials of provincial and territorial ministries of justice. Those communications have been continuous and, I can advise the House, very productive.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, it still seems wise that we would get support from all of them when all the provinces will be involved.

In one short statement yesterday the Minister of Justice eliminated the role of Parliament, of the Standing Committee on Justice and of interested parties on both sides of the issue. He said: "Let me make it very clear. The process of consultation leading to legislation is now over". This is unacceptable.

What gives the Minister of Justice the power to interfere with the parliamentary process which includes the Standing Committee on Justice? Is true democracy proving to be inconvenient for the justice minister?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I meant yesterday exactly what I said. The process of consultation leading to the proposals in the legislation the government will put forward is at an end. We have reached the government's policy on firearms.

Naturally the bill will be put before the House of Commons in February when we resume. It will then be referred to committee in the ordinary course. It will go through the regular parliamentary procedure in which we hope to have the involvement of all members of the House.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, it seems evident across the country that these proposals are in fact full of holes and seriously flawed.

We have seen in previous legislation in the House that this minister has set a precedent for ramrodding, railroading and running roughshod over the democratic process.

The minister said that yesterday's proposals are final. Will the minister, upon tabling the legislation, be open to further consultation? Will he consider changes to these proposals that attack responsible law–abiding gun owners?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is obvious the support among members of the Canadian public for these proposals is very high. We are making proposals that have the support of the vast majority of Canadians.

In terms of the consultation process, I spent almost five months consulting with over 150 national and regional organizations of firearms owners and users. I dealt with them at close quarters on the details of the proposals. Our consultations leading to the formation of government policy are at an end. Naturally when I put the bill before the House it will be referred to committee, witnesses will be heard, and the usual parliamentary process will be followed.

* * *

[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

Yesterday, the minister refused to respond favorably to the invitation from the Mayor of Saint–Jean, saying that he had not received an invitation from Quebec's Minister of Intergovernmental Affairs. Now, the Mayor of Saint–Jean publicly invited both governments to Saint–Jean to continue discussions on the future of the military college on the basis of his proposal. Quebec is ready to delegate representatives.

Can the minister tell us whether he, like the Quebec minister, intends to respond favorably to the invitation from the Mayor of Saint–Jean and delegate officials so that discussions can resume and thus show his good faith?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, as I already said in this House a few days ago, I met the Mayor of Saint–Jean to listen to his proposal and to discuss the future of the college in Saint–Jean.

We both clearly agreed that the college in Saint–Jean must continue and for this two essential conditions of the July 19 agreement had to be met: the college has to be demilitarized and a transition period is needed.

• (1430)

What has happened is that I sent Ms. Beaudoin a letter several weeks ago, asking her to do just that, and she has not yet sent me a reply. As soon as she gives me an answer, we are ready to meet her.

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, can the minister tell us whether or not he is prepared to continue discussions on the basis of the proposal from the Mayor of Saint–Jean, which would provide a transition period and also keep 350 officer cadets at the college next September?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I already told the House exactly what we had agreed on. What we need now is a reply from Ms. Beaudoin that she is ready to accept the July 19 agreement as a basis of negotiation. Our position was and still is the same and the Bloc Quebecois is

preventing the development of the royal military college in Saint–Jean and hindering normal economic activity in the Saint–Jean region because it opposes implementing the agreement.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, yesterday during the justice minister's press conference when asked whether the registration of rifles and shotguns would reduce the criminal use of these firearms, the minister could not say that it would.

Given that the objective of firearms control is to reduce the accidental, intentional and criminal use of firearms, can the minister today state that the registration of shotguns and rifles will meet these objectives and reduce the criminal use of these weapons in society?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the only reason this government is proposing a registration system for rifles and shotguns is our firm belief that it will have exactly that result.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, in his proposals yesterday the minister failed to provide the statistical information to justify the registration of rifles and shotguns and to ban other firearms.

The Auditor General found the same lack of substantiating evidence for Bill C–17, which led him to conclude that C–17 was initiated for reasons of public policy.

I ask the minister, when will he provide statistical justification for introducing these measures, or is this being done for reasons of public policy as well?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, there is a reason why the Canadian Association of Chiefs of Police wants universal registration of firearms. There is a reason why the Canada Safety Council has been urging the government to introduce universal registration of firearms, quite apart from common sense.

As we announced yesterday, there is a direct link between the registration of firearms, the reduction of crime, the reduction in the number of lost and stolen firearms in the hands of criminals and public safety and safety in the home.

[*Translation*]

REGISTERED RETIREMENT SAVINGS PLANS

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of National Revenue.

Right in the midst of its pre–budget consultation exercise, the government continues to leave open the possibility of taxing RRSPs when, according to a Gallup poll, over 86 per cent of Canadians and Quebecers oppose such a measure.

Considering that the government did not wait until the end of its pre–budget consultation to announce that it would not reduce UI contributions below the level mentioned in the budget, will the Minister of National Revenue now reassure concerned Canadian taxpayers that he will not tax RRSPs?

[*English*]

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, the question is raised about the recent poll that was conducted for the Retirement Savings Alliance. That group had the opportunity to present its paper before the finance committee in the consultation process. We are listening to all the consultations and will look forward to that.

I will not, as the Minister of Finance has said in the past, comment on individual proposals at this time.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, how can the minister continue to leave open the possibility of taxing RRSPs and increase the concerns of Canadian taxpayers at a time when people are taking and renewing RRSPs, and considering that if RRSPs were to be taxed, 44 per cent of those who participated in the poll said they would stop contributing?

• (1435)

[*English*]

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, it is not this government that is raising the questions of taxing RRSPs. It is the opposition party and the third party that have raised these questions again and again before this House.

I will repeat that we are not going to comment on the individual proposals until our budget is presented in February.

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GUN CONTROL

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, the gun control proposals submitted by the justice

minister yesterday would ban the .32–calibre handgun like the one fired by Olympic gold medalist, Linda Thom. This is a calibre of handgun used in Olympic sport competitions.

Does the Minister of Justice realize that he has effectively eliminated Canadians from this Olympic sport? They will no longer be able to own and practice with this gun in preparation for world class events.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the category of handguns that this government proposes to ban is not broadly used in legitimate sporting activities. Instead, these small handguns we propose to ban are cheaply made, easily concealed and commonly used in crime. That is why we are banning them.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, this is an international sporting event being eliminated for Canadian competitors which points to how poorly thought out this whole proposal really is.

I have not yet mentioned the violation of the rights to privacy, the confiscation of personal property without compensation; how poorly thought out this whole proposal really is.

As a start, will the minister make a commitment to remove the .32–calibre hand gun from this list of banned firearms?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I most certainly will not. The categories of handguns which were identified for ban were worked through with the RCMP, with expert advisers. They were identified precisely for the reasons we gave the House when we announced these decisions yesterday and they will remain on the list.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice.

On December 6, 1989, 14 young women were killed at the École polytechnique, in Montreal. This tragedy triggered a major movement for gun control. Yet, five years later, the government introduces a mere action plan, in spite of the commitment made by the Minister of Justice and the Prime Minister to table a bill before Christmas.

How can the minister be satisfied with his action plan, whose effects will not be measurable until the year 2003, almost 15 years after the tragedy at École polytechnique?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the question put by the hon. member echoes the pale and oblique commentary she gave yesterday following my speech in the House. It disappointments me, as much as her speech did yesterday, that instead of dealing with the substance of the matter, instead of expressing her position with respect to the substance of the decisions and the proposals, she seizes upon the form of the matter and comments caustically upon that.

This government has made its position clear. We shall introduce legislation in February to implement the decisions in the paper I tabled yesterday.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, how can the minister claim not to have caved in to the gun lobby, considering that his eventual legislation will allow more than 4,000 Canadians to keep their AK–47s and more than half a million others to keep their hand guns for the rest of their lives, all the while keeping within the law?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in connection with the AK–47s, those firearms will be prohibited. Future sales will be prohibited. Those who have them can keep them but not transfer them.

In connection with the banned handguns the position is, once again, future sales are prohibited. Those who have them may keep them but may not use them. They can keep them and store them safely, surrender them to the police or disable them.

* * *

MULTICULTURALISM

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, my question is to the Secretary of State for Multiculturalism.

It is ironic when MPs like the Reform member for Calgary Southeast yesterday misrepresented the cardinal principles of multiculturalism, a policy long viewed by other countries as a model for social cohesion and national unity.

• (1440)

Given that nearly half of Canada's people are of neither English nor French background, can the minister assure us that the government will continue to promote the cultural, economic and social benefits inherent in Canada's diversity?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I thank the member for his question and his incisive observations. Of course the answer is yes. Diversity and pluralism are the Canadian reality.

This government is committed to nation building, to ensuring that we live in an inclusive society and that we will have multicultural programs which will contain cross–cultural undertakings, intercultural exchange and will promote social harmony, social cohesion and peace.

We in this party believe that we should build a society in which racism, bigotry, intolerance and misunderstanding shall

find no home. That is the goal of this government. That is nation building and the Liberals support the multicultural program.

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SAINT JOHN SHIPYARD

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, my question is for the Minister of Natural Resources or whoever should choose to answer on behalf of the government.

Could the minister explain why the Canada–Newfoundland Offshore Petroleum Board made a decision to review the process of awarding the contract to Saint John Shipyard last week as opposed to when the decision was initially made some months ago?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I will be pleased to get that information from the board. In the meantime I think we should take satisfaction that this independent review board is doing the job for which it was set up.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, my supplemental is for the same minister.

Could this minister please explain why the Canada–Newfoundland Offshore Petroleum Board is reviewing the contract awarded to Saint John Shipyard when other contracts have been awarded without going to tender, such as the contract awarded to the Norwegian Contractors Newfoundland this past summer and no review took place?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, as I understand it, this is an independent board, an arm's length board and it does its job according to its mandate.

I will seek the information the hon. member is asking for but I do not know why the Reform Party, which wants probity in actions by government bodies, refuses to pay attention to the work of an independent, arm's length board reviewing the expenditure of taxpayers' funds.

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[*Translation*]

BOSNIA

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Minister of National Defence.

Yesterday, the United Nations suffered a major diplomatic reversal when the Bosnian Serb authorities refused to meet with UN Secretary–General Boutros Boutros–Ghali. Peace negotiations have reached an impasse. The NATO Ministers of Foreign Affairs met today in Brussels to develop their position on the Bosnian situation, while major tensions between the Americans and Europeans continue to grow.

What position has the Canadian government taken today at the NATO Summit in Brussels in order to break the deadlock concerning Bosnia?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, first of all, we regret that the Bosnian factions refused to meet with the UN Secretary–General. We are very sorry.

The Prime Minister has stated our position on the Bosnian conflict and this is the position which was stressed again this morning and this afternoon by my colleague, the Minister of Foreign Affairs. Right now, I do not have a report from these NATO meetings, since I am told they are still under way in Europe, but when I have an answer I will contact the hon. member.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, instead of simply criticizing the United States for their attitude, as the Prime Minister did in an interview he granted to the daily *Le Monde*, does the government not think it should take a much more constructive approach and consult its main partners in order to come up with solutions that would get the peace negotiations moving again in Bosnia?

• (1445)

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Prime Minister spoke to the French Senate today which is indeed an honour. I think he is the second foreigner ever to have addressed that body.

After the speech the Prime Minister was quite forceful in his desire for Canada to remain as part of the solution in the former Yugoslavia to help bring tensions to an easier point and to bring negotiations to fruition. Certainly he believes that Canada has a role, and I hope the Prime Minister has a role, to help in any new negotiating process.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the contact group on Bosnia was established in April, two of the five members being countries that had no troops there. Canada is one of the largest contributors but we are excluded.

Why did the government not do its job in April and demand our membership in the contact group? Why did this government wait silently for so long before it finally became involved as conditions worsened? The Canadian people want to know why.

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we made representations at the establishment of the contact group and for reasons I cannot explain Canada was not invited to be part of that group.

Certainly, even though we regret that state of affairs, that does not mean that we renege on our commitments to be an active full member of United Nations missions in Bosnia and Croatia.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, if the contact group refuses to admit Canada when the Prime Minister asks this weekend in Budapest what exactly is the government going to do? Are we going to continue to be wimps in answering these sorts of things? Canadian lives are at stake and the people of this country want to know what the government is going to do.

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Prime Minister has been most articulate and most forceful in declaring Canada's interest in participating in all manner of fora to deal with the very terrible conflict in the former Yugoslavia.

We will certainly take note of the hon. member's support for our position that Canada should be much more involved in trying to get a diplomatic solution.

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VIOLENCE AGAINST WOMEN

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, my question is for the Minister of Justice. Next Tuesday, December 6, is a national day of remembrance and action to end violence against women.

Most of the violence women experience is in their homes and at the hands of men they know. What measures is the minister taking to protect women from violence?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we are doing a great deal but it is not enough.

We must renew our commitment and focus our energies to do more, but what we have started to date is considerable. I can refer to the initiatives of yesterday with respect to firearms. I can remind the House that one woman every six days is shot to death in this country, that most of the time it occurs in her own home at the hands of someone she knows, and that person is using a rifle or a shotgun. The steps we took yesterday I believe will help in some way to deal with that issue.

I should refer as well to the creation of a national crime prevention council and the attention it will devote to violence against women. I can speak about Bill C–42 and the efforts to change the peace bound provisions to make them more effective to protect victims of domestic violence, and Bill C–41, the matters it deals with in terms of breaches of positions of trust, including relationships between physicians and female patients.

[*Translation*]

TELECOMMUNICATIONS

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is directed to the Minister of Industry.

The coalition for affordable telephone services has asked the government to reverse the CRTC's decision to allow telephone companies to raise rates for local calls by $72 annually over a three–year period. Furthermore, the association for competitive telecommunications is concerned that telephone companies would use the additional revenue from local calls to compete unfairly on the long–distance market.

• (1450)

Does the Minister of Industry intend to look into the association's allegations and examine the cost structure of telephone companies that offer local services, to ensure that the increase in local rates approved by the CRTC does not affect competition on the long–distance market?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, we received the request to which the hon. member referred just now. I am examining this request, and I think I will submit a recommendation to cabinet before the end of the year to determine the outcome of this case.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my supplementary is directed to the Minister of Canadian Heritage.

To allow enough time to check the cost structure of the telephone companies, does the Minister of Canadian Heritage intend to delay the application of the CRTC's decision to allow an increase in local rates as of January 1?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is perhaps difficult for the opposition sometimes to understand but responsibility for the telecommunications sector does fall within my domain.

Therefore it will be a recommendation brought forward by me to cabinet which will be dealt with in the course of determining the government's position on the appeal and on the determination made by the CRTC decision 94–19.

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NATIONAL DEFENCE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, my question is for the Minister of National Defence.

The Reform Party is pleased to see that in general the white paper reflects much of what was recommended by the special joint committee on defence in its report. However, the white paper calls for a reduction in Canadian forces personnel to

60,000, 6,700 below the numbers projected in the February 1994 budget.

The defence review stated that cuts, either financial or numerical, beyond those projected would necessitate the surrender of Canadian forces capabilities. What capabilities has the government identified to be forgone?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I do appreciate the support of the hon. member and his party. He worked very hard on the joint committee and he should be commended. I thank him for his consideration.

With respect to the reduction in force personnel from a projected 66,700 as envisioned in the 1994 budget to an end state of around 60,000, we believe that much of the capability can be maintained simply by moving a lot of uniform people out of administrative positions of downsizing, of rationalizing, of privatizing certain services, of doing things efficiently to make better use of the personnel we actually have.

With respect to the specific point about those aspects of combat capability that we are losing, we are sort of trimming at the edges. Obviously the big one is that our fighter capability will be reduced somewhat from about 72 that are in service now to between 48 and 60. We have some flexibility depending on the financial requirements that I will be discussing with the Minister of Finance. It will be largely in that area.

My colleague, the Minister of Foreign Affairs, has made it clear that from now on we just do not have the resources to take part in every peacekeeping mission. It is very expensive and we have to evaluate each request on its merits and look at what we can do and what we can afford to do.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, all of the reductions the minister mentions in his response were included and considered before the recommendations were made.

The defence review recommended that Canada be able to commit to the United Nations and sustain approximately 4,000 personnel. However, the white paper commits numbers that could "conceivably involve in the order of 10,000 military personnel".

As we know from Bosnia and other UN commitments, it is easier to become involved than to disengage. Canada cannot sustain such numbers. Why are we committing them?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, just because we have the capability to commit a certain number does not mean to say we actually do it.

What we say in the white paper is that at any one time we could deploy in missions, not necessarily in peacekeeping but in natural disasters or other measures, up to 10,000 people at once.

We also commit to increase by 3,000 the number of personnel actually involved in the army able to take part in the land forces missions.

• (1455)

Certainly the point that I raised earlier in terms of evaluating each particular mission on its merits answers the hon. member's question. We have to be very judicious in future in the way we deploy our forces. We believe that there is a consensus in Canada that this country really does want to continue to do its part for the UN and to help bring peace and stability to the world.

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CANADIAN PACIFIC

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the Minister of Transport and it concerns the offer by CP to buy CN east of Winnipeg.

I wonder if the Minister of Transport is aware of arguments to the effect that if CP were to be permitted by the government to buy CN east of Winnipeg, given the tax treatment of such a purchase CP might well get CN from the Canadian taxpayer for nothing.

I would like to ask the Minister of Transport if he could assure us that in the event the government does consider this proposal it would make absolutely sure, even if it has to change the tax system to do so, CP does not rip off the Canadian taxpayer by manipulating the tax system in such a way as to get CN for nothing.

Even better, could he assure us today that the government will have nothing to do with this offer whatsoever even though it has been extended?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the question of the unsolicited bid by CP for CN assets east of Winnipeg is under active consideration by both the management of CN and the Government of Canada.

It is a very serious question. In addition to the matters raised by my hon. colleague, there is the question that it would have the result of reducing competition and really changing the way rail operates east of Winnipeg.

It is a very serious not only business question, as the hon. member has raised, but policy question. For that reason we are going to weigh the pros and cons very carefully and the government will announce its decision in due course.

[*Translation*]

THE ECONOMY

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, my question is directed to the minister responsible for international financial institutions.

Our government has decided that the way to deal with the problem of the debt and the deficit is to put the economy back on track by stimulating job creation and economic growth.

Could the minister inform the House about the present state of the Canadian economy and tell this House whether the strategy to stimulate employment and growth has been successful?

[*English*]

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I am pleased to confirm to this House and to the hon. member the government's commitment to its deficit reduction program on two fronts, the reduction of spending and the growth in the economy.

Since the beginning of the year the economy has forged ahead at a 5 per cent annual rate. It is the best performance in more than six years. During the third quarter real exports were up more than 5.6 per cent, a record level. A tremendous export performance has led to the highest merchandise trade surplus in six years.

Corporate profits are up for the eighth consecutive quarter to levels that will bring more business advancement and more jobs for Canadians.

* * *

[*Translation*]

VIA RAIL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is directed to the Minister of Transport.

The government's net spending on Crown corporations in the transportation sector will total $528 million this year. Other major cuts planned for the next few years will almost exclusively affect VIA Rail, which serves all Canadians.

What explanation does the minister have for the fact that Marine Atlantic, which will cost $131 million this year and operates only in the Maritimes, will hardly be affected and that most of the cuts will be borne by VIA Rail?

Mr. Loubier: Shame!

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I can inform the hon. member that, in the case of VIA Rail, these cuts are public knowledge and that we are to review VIA's role. I may add that this year, the government has not received a single request from VIA to cut services.

Point of Order

As for Marine Atlantic, during a meeting I had with the president this morning, I advised him that he would have to take a very close look at all the operations of this Crown corporation, since we intend to put the activities of Marine Atlantic on a strictly commercial footing, as we are doing in the case of all sectors for which I am responsible at Transport Canada.

* * *

• (1500)

[*English*]

ROYAL ROADS MILITARY COLLEGE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

Royal Roads Military College is a superb educational facility with a long history on Vancouver Island. Sadly it is falling apart. Much of the faculty and staff have already received their termination notices and the civilian employees are going to close it down in order to get an expeditious move on the decision.

I would like the minister to please tell us exactly what the stumbling blocks are to an agreement and what steps the minister is prepared to organize to make sure there is a speedy resolution to this ongoing problem.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, we have been concerned with the fate of the Royal Roads College. We have continued the discussions in the last weeks and months.

Last Friday I was in communication with the minister of finance of British Columbia, Ms. Elizabeth Cull, who is in charge of the negotiations. We then faxed to her a new proposal. We received a counterproposal this week. We are now in the midst of negotiations. I would expect that in the course of the next few weeks the negotiations would be finished.

* * *

POINTS OF ORDER

QUESTION PERIOD

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, during question period when a very serious question was being put to the Minister of Justice on violence against women and the type of violence that women are suffering, mainly at the hands of—

The Acting Speaker (Mr. Kilger): I ask the member to give me a moment. The hon. Speaker, who was in the chair during question period, will return.

The Speaker: I apologize to the hon. member. Would she please put her point.

Mrs. Gaffney: Mr. Speaker, during question period a very serious question was being put to the Minister of Justice with regard to violence against women and particularly about the number of women who die violently at the hands of their partners. This question is something that most members of this House take very seriously.

A member opposite from the Reform Party shouted out in the middle of the question "give them .32s". That is a very serious violation—

The Speaker: The hon. member raises a serious point. I did not hear the statement and therefore I will check the "blues" and at that time, if it is necessary, I will return to the House.

The hon. member for Carleton—Gloucester on a point of order.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I rise to speak to the point of order raised by the hon. member for Nepean.

I was a witness. I heard the hon. member for Okanagan—Shuswap say that if women wanted to defend themselves, they could use a .32 handgun.

[*English*]

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I do not know if it is parliamentary language here to say that that is a lie, but I certainly did not say that—

Some hon. members: Oh, oh.

The Speaker: Order. I gave the floor to the hon. member for Okanagan—Shuswap.

• (1505)

Before we go any further, I would ask the hon. member to withdraw the word lie. Then I am going to give the floor to the hon. member again.

Mr. Stinson: Mr. Speaker, I withdraw that. But what has just been said in the House is a total mistruth. I never said that. I would like to have the record rectified on this.

The Speaker: Order. Evidently we have either a misunderstanding or possibly someone misheard. We have hon. members on one side raising a point of order and we have an hon. member from the other side saying that he who was singled out did not say that.

As your Speaker, I am bound to take the word of hon. members in this House. In the face of an allegation which was totally denied by another member, I am forced to take the word of the hon. member, and I do. I consider this matter closed.

Mr. Silye: Mr. Speaker, a point of order.

The Speaker: Order. Is this on the same point of order?

Mr. Silye: Yes, Mr. Speaker.

The Speaker: Then it is out of order.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I would like the Government House Leader to tell us what the order of business will be for next week.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I wish to respond to the question of the House leader for the official opposition and provide to him and to other members of the House the weekly statement of government business.

This afternoon and tomorrow the House will debate second reading of Bill C–59, the income tax amendments. On Monday the House will commence with report stage of the grain bill, Bill C–51. On Monday, Tuesday and Wednesday we will consider that bill followed by the environment bill, Bill C–56 and the Department of Public Works and Government Services bill, Bill C–52. On Wednesday we will begin with third reading of Bill C–46 and if it is completed, revert to other unfinished business.

Thursday, December 8 will be the last allotted day for the present supply period and the government will be seeking approval of supplementary estimates at the end of government business on that day.

That is my statement.

GOVERNMENT ORDERS

[*English*]

INCOME TAX ACT

Hon. Fernand Robichaud (for the Minister of Finance) moved that Bill C–59, an act to amend the Income Tax Act and the income tax application rules, be read the second time and referred to a committee.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I am pleased to launch second reading of Bill C–59, an act to amend the Income Tax Act, which legislates measures contained in last February's budget.

Members will recall that the budget was based on widespread consultations with groups across Canada and these consulta-

tions revealed certain concerns among Canadians regarding Canada's personal and corporate tax systems.

As members know, Canadians wanted tax incentives to be better targeted. They wanted tax loopholes to be closed and complexity to be reduced. Overall they wanted a more equitable tax system.

The government shares these concerns and accordingly in the 1994 budget the Minister of Finance proposed measures to make the tax system more supportive of economic growth and more reflective of fiscal realities, simpler to comply with and more respectful of Canadians' ability to pay taxes. Bill C–59 will amend the Income Tax Act to implement several of the budget's tax measures. On behalf of the government, I would like to summarize these amendments.

First, I would like to review these amendments as a reminder to colleagues in the House and to Canadians. The capital gains exemption eliminates the $100,000 lifetime capital gains exemption and provides an election with respect to the gains accrued before the date of the budget.

• (1510)

The second amendment in the bill relates to employee benefits, extending the taxation of employer provided benefits to include the first $25,000 of life insurance.

The third is the age tax credit, which provides a reduction in the amount of the credit based on an individual's income level.

The fourth amendment is the homebuyers plan, which modifies the provisions of the homebuyers plan, extending it indefinitely for first time home buyers.

The fifth amendment is the charitable donations tax credit which lowers the threshold at which the tax credit is calculated at the highest individual marginal tax rate.

The sixth amendment is the business meals and entertainment expenses, which reduces the percentage of such expenses that may be recognized for tax purposes from 80 per cent to 50 per cent.

The seventh amendment is the tax shelter partnership interests. This amendment requires that limited and other passive partners report any negative adjusted cost base in their partnership interest as a capital gain.

The eighth amendment is the divisive corporate reorganizations, which curtails the tax avoidance technique that allowed capital gains on the disposition of corporate assets to be avoided in certain circumstances.

The ninth amendment is the investment tax credits. This reduces the rate at which the credit is calculated in respect of certain regions. It eliminates the regional component of the credit in respect of scientific research and experimental development and it discontinues the special investment tax credit.

The tenth amendment is the expenditure limit for scientific research and experimental development, which prorates the expenditure limit for a Canadian controlled private corporation based on the corporation's business limit for the year.

The eleventh amendment is the small business deduction which progressively reduces the small business deduction available to Canadian controlled private corporations having a taxable capital over $10 million employed in Canada, so the deduction is eliminated at the $15 million level.

Finally, the twelfth amendment is the mine reclamation fund, which permits a tax deduction for contributions into these funds in the year in which the contributions are made.

This represents a major list of amendments to the Income Tax Act. It will add approximately another 106 pages of rules and regulations to the act.

I support all of these amendments to Bill C–59, but I have to say this is yet another reminder that the the Income Tax Act continues to be complex. In spite of our best efforts I really do not believe we are heading in the right direction when it comes to income tax reform.

I hope all members of Parliament will support us as we put this series of amendments through the House of Commons because the basic principle behind these amendments is to increase economic activity.

We have targeted enhanced support for our small business community, which I know all members of the House support. We have made sure that the homebuyers plan is given added rejuvenation. We have been extremely sensitive to senior citizens at the lower part of the income threshold. These are all efforts to make sure there is fairness and equity, but I believe passionately it is not enough.

• (1515)

We are not going far enough in our income tax reform. In order to get our Income Tax Act on track we have to go back to 1948. Last week I asked one of the pages to get me a copy of the 1948 Income Tax Act of Canada from the Library of Parliament. This document worked very well in those days and is approximately 100 pages for the whole tax act of Canada. This was tax paradise.

Over the years the tax act of Canada has been used to run every sector of the economy, just as these 10 amendments we are talking about today are affecting certain sectors of the economy. They are put in to move and stimulate positively those sectors of the economy.

Over the years there have been so many amendments to the tax act, so many exceptions and exceptions to the exceptions that the tax act is now almost 1,500 pages. As this act has evolved the situation is that even Canada's best tax lawyers and best tax accountants are saying the act is no longer comprehensible. The exceptions to a particular amendment which lead to another

exception create so much confusion that an inefficient system is being created.

Did you know that right now before the courts of Canada there are 37,200–odd cases challenging the tax act of Canada? Just think of the cost to the judicial system. Talk about a make work program. This is a make work program in tax challenges alone for the lawyers, most of whom are subcontracted to the Department of Justice. A company which is assessed by the Department of National Revenue and wants to challenge it hires its own lawyer, but the Department of National Revenue calls up the Department of Justice. Justice in turn hires a lawyer to defend the crown.

Right now the taxpayers of Canada are funding 37,000 cases before the courts. Just think of what that does to our judicial system, all because of the lack of clarity and the lack of efficiency in our tax act.

Bill C–59 is a good bill. The specific amendments in it are designed to stimulate the economy and create jobs.

I would like to take this opportunity to say to my colleagues in the House of Commons that perhaps now is the time to look at comprehensive reform of our tax system. Perhaps now is the time to take up the challenge. We have taken up some great challenges in social security reform during the last few months and we will be doing so over the next two months. We have taken up incredible reform of our UI system and our retraining system. Why not take up the challenge of comprehensive tax reform?

• (1520)

Quite frankly when I was re–elected last year I hoped that the notion of comprehensive tax reform would hit the floor of the House of Commons quickly. I was hopeful for a couple of reasons.

The government in its red book said it would look at tax reform. Of course, the finance committee is in the process of listening to all kinds of ideas which are being brought forward. As we prepare for the budget this is a perfect time to look at some alternatives to the tax regime we have right now. That was the number one reason I was optimistic for a shot at real comprehensive tax reform.

The second reason I was optimistic was that I thought I would have some company in this whole notion of tax reform. That is because lo and behold over 50 members of Parliament were elected under the Reform Party flag and I can remember that one of its cornerstones of public policy during the campaign was comprehensive tax reform.

I can remember campaigning in my riding in downtown Toronto against the Reform Party candidate, a terrific candidate. It is awful when someone forgets a person's name. Where is my friend Nick Lamacchia when I need him? He would always help me remember someone's name.

Mr. Silye: If you do not get elected, you are a nobody; if you leave, you are a has been.

Mr. Mills (Broadview—Greenwood): Nick, where are you when I need you?

At any rate when we had public debates and it came to the issue of tax reform, the Reform Party candidate would stand up and say: "When it comes to tax reform we support Mr. Mills' idea of a single tax system. We call ours the proportional tax but generally speaking we think he is heading in the right direction". Actually the Reform Party member helped me get elected because some of the things that my constituents perhaps did not like about me were offset by the fact that the Reform Party candidate helped me push forward on the single tax.

Here we are one year later and we have not been able to spark an interest in comprehensive tax reform in this House of Commons. I want members to know that we are missing a great opportunity. You might ask: Why does the government not take it up on its own initiative? It does not work like that around here. As members know, the essence of a democracy is good solid debate. There has to be a to and fro. A good opposition has the ability to move an agenda item from the back burner to the front burner.

On the issue of tax reform the opposition has done a lousy job and that is in spite of my giving them a good push every now and again. At any rate, I want to say to the people of Canada that I passionately believe the single biggest thing we could do to spark economic activity in this country is to act on comprehensive tax reform.

I say that because we as a government are counting on the small and medium size businesses to recharge and reignite this economy. I hear constantly as I am sure other members do from those same small and medium size businesses that the paper burden relating to the income tax system, the complexity of it, and the unfairness of it on the corporate and personal side make it a disincentive to productivity. It is a disincentive to risk taking. It is a disincentive to taking that extra shot.

• (1525)

I believe that. In fact a lot of entrepreneurs who have achieved success are not only frustrated by the tax act of Canada but many of our superachiever entrepreneurs are currently being taxed at a rate of 58 per cent rate when the federal and provincial taxes are combined. Many of them are starting to do two things. Some of them are parking their resources, their investments and their cash offshore. The second thing is some are starting to move themselves offshore. They are not just moving their cash but some of them are actually taking their talent and walking into better tax regimes.

When we have a bill like C–59 with all of its pluses and advantages in moving and improving the tax act it gives us the opportunity to look at the big picture over the next eight to ten years.

If Canada does not have a globally competitive tax system we are going to see talent and capital fly out of this country at a rate we cannot imagine. When capital flies out interest rates go up. It is like any other commodity. A store that has only a few pieces of chicken or a few potatoes can demand a higher price. Capital is no different.

When capital is not in the marketplace or if there is restricted amounts of capital, interest rates go up. That causes a tremendous strain on our ability to service our deficit and our debt. It is a tremendous burden. It is tough for our entrepreneurs. When they go to the bankers and try to rent money from them, those rates are higher as well.

If Canada had a globally competitive tax regime, if we had something like the single tax system where—

The Acting Speaker (Mr. Kilger): Order. I know that the member for Broadview—Greenwood, the Parliamentary Secretary to the Minister of Industry, is one who can express himself very well and certainly is not in any need of props or anything else to substantiate his arguments on any piece of legislation or debate. I would ask him to keep that in mind.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I thank you for your generous remarks but after five years of trying to advance the debate on tax reform in a comprehensive way sometimes I wonder what you have to do. It is not just props; I think you even have to go beyond props.

At any rate the point I wanted to make was about Canada having a single tax system. On both the personal and corporate sides the rate would be around 20 per cent. On the personal side there would be very generous deductions to make sure those people at the lower income spectrum were protected. If we had a progressive single tax system like that I believe capital would flow into this country in a way we could not imagine. Canada would be the home for capital from all over the world.

• (1530)

It is not unlike the grocery store: if there is a sudden glut of potatoes or of chicken the price goes down. It is not different with capital. If the capital were suddenly parked here in large amounts it would put downward pressure on interest rates. This would mean it would be much easier for us to service our deficit and debt. More important, it would provide capital at an inexpensive price for those one million small and medium size entrepreneurs, those men and women who need to be fired up to get the economy going.

I attended a townhall meeting with my colleague from Nepean last night at which we had a little session on small business and tax reform. One person in the crowd said: "I don't like this kind of a system. I would like a two–tier system. If you make up to $60,000 you pay 20 per cent but once you get over $60,000 you pay 40 per cent". I told him that I totally disagreed with that. I believe the harder we work the more we achieve, and the more we make the more we should have left in our pockets. We should and we have always rewarded productivity in Canada.

I do not believe for a second in a system where people who make millions of dollars get off with paying nothing. I believe in an airtight system and the single tax system is an airtight system. It does not matter whether one is making $100,000, $500,000 or a million, it is 20 per cent; it is airtight. It is airtight on the corporate side as well. If we had a system like that in Canada we would do much to stimulate economic activity.

There is something else we have to be concerned about. In the last three weeks our neighbours to the south have been talking about the issue nearly every day in Washington. There has been a change in the Congress of the United States. Most of the people who were elected three weeks ago in the United States are now starting to talk on almost a daily basis about a single tax system.

That concerns me. If the United States adopts a single tax system before we do we would have a problem. It may be difficult to move money to the islands, to move money to Switzerland or to move a business to another part of South America or some part of eastern Europe, but it will be very easy for Canadians to cross the 49th parallel.

I am standing here today in support of every one of the amendments in Bill C–59. They are targeted amendments. They are all related to generating economic activity. They are simplifying the tax system. I do not disagree with any part of the bill because it is taking us in a positive direction in a constructive way.

My challenge to all members of the House of Commons is that it is good but it is tinkering. It is time to go the whole nine yards, clean up the whole system and start from scratch. If we did that all Canadians would cheer the House. We would have rebuilt trust and respect. More important than all those things or equally as important, we would ignite the entrepreneurial spirit of the country. Our ability to cope and handle our deficit and our debt would be much more focused and much easier to address.

• (1535)

This will probably be one of the last days in this year that we have an opportunity to send out a message to all officials in the Department of Finance, to my colleague, the Minister of Finance, and to all my other colleagues.

Mr. Stinson: He will not listen to you.

Mr. Mills (Broadview—Greenwood): No, that is not true. The Minister of Finance listens to us but he does not listen to just a few of us. He listens to all of us. In order to move an issue forward as comprehensive as this one it cannot be done by one, two, fifty or sixty members. We need one hundred and fifty members to move the issue forward.

Our team presented the idea of a single tax system to the finance committee looking for GST alternatives about two months ago. Opposition members started questioning at the end of our presentation and the finance critic from the Bloc said: "We have no criticism of what you are trying to do but we might not agree with some of your credits". He basically said: "When we become an independent country this is the type of tax system we will have. Why would we begrudge it to the rest of Canada?"

I felt that was a pretty straight comment from the Bloc. Obviously none of us in terms of the Reform and Liberals believe in wanting to destroy the country, but he was certainly direct about the type of tax system they would have. The Reform critic for finance was there and supportive, on side. However there is a missing factor in that equation.

Mr. Silye: Excessive spending.

Mr. Mills (Broadview—Greenwood): No. The problem with trying to achieve tax reform is not the men and women of the Chamber. I believe most men and women who sit in the Chamber hear from constituents about problems and complaints in the tax act.

The problem is Canadians complain day in and day out about the unfair, inefficient, complex tax system. I should not say never, because I have received about 100,000 letters from a community of about 12 million to 15 million taxpayers. I would say that 90 per cent of Canadians complain but they do not do enough. They do not get up to make phone calls or write letters to their MPs on whether they agree or disagree with the status quo or whether they have a better idea.

I believe part of the reason we have tax inertia is that Canadians have not pressed enough of us hard enough. In spite of all that, I personally and passionately believe that if we were to take up this challenge and have a single tax system we would have the most exciting economy on the planet. It would be the fastest way to deal with deficit and debt. In the next budget I hope we can get a reference for this system.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, before proceeding with my speech, allow me to express my scepticism regarding the remarks made by the parliamentary secretary who mentioned the openness of the finance minister and of his government vis–à–vis the consultation process. Supposedly, they are listening not only to MPs, but also to all citizens. This process is a farce; next week we are going to listen to witnesses, while the report has already been written. What kind of influence are these people going to have? The committee must return to Toronto, at the insistence of the Liberal members in the area, to hear more witnesses who did not, or will not, have any impact on the consultations. This is somewhat less than transparent.

• (1540)

Let us go back to Bill C–59, which could be described as one of the pieces of legislation resulting from the Liberal government's first budget. This bill includes 12 specific measures, which are only some of the legislative measures resulting from the last budget. Some are good, others much less so. Some will need to be clarified when the clauses of the bill are reviewed by the committee.

Indeed, this bill was, and still is, the first financial test for the Liberal government. Let us say that, in certain respects, it is very timid. Since coming to power, the Liberal Party may not have had that much time to influence the budget process, a reason which is often given to justify the fact that the budget does not reflect what the Liberals wanted. This is strange because they came to power in October. We were all elected then. They claim they did not have enough time, so they tried to postpone the pre–budget consultations which are supposed to end in mid–December. There is something wrong there.

Let us now move on quickly to the measures themselves. We will come back in more detail on some of them later. The Bloc Quebecois agrees with certain of them. Being more positive than negative by nature, I will start with the ones we agree with, although we will need clarification on some in committee. The first one, of course, is the cancellation of the capital gains exemption on the first $100,000. I will come back to this measure because it has to be put into context to see what happened with capital gains exemptions.

There is also the Home Buyers' Plan, which allows first–time home buyers to use their RRSPs for financing, which is made permanent. This is a good measure. There was much pressure on the Conservative Party at the time, and on the Liberal Party when it came to power, to make it permanent. This has now been done and it is a positive step.

Tax credits for charitable donations. The first $250 used to be deductible at 17 per cent and any amount in excess, at 29 per cent. Now, the limit has been brought down to $200. That is to say that amounts in excess of $200 will be deductible at 29 per cent. There is now an extra $50 that is becoming deductible at 29 per cent. In itself, this is a positive measure. It is not the reform of the century, but we, from the Bloc, recognize the contribution of charitable organizations and other organizations that benefit from this funding. That is why we support this measure.

There are also a number of technical provisions to close certain fiscal loopholes. I am thinking about company reorganization, tax shelters in the form of partnership interests and the small business deduction in particular. Let us just say that there are three measures to close technical loopholes. I will not get into the detail, as this can be done in committee, but this is not the tax reform of the century. It is certainly not the reform the parliamentary secretary would like to see and he is seeking public support to improve on it. Having participated in the consultation process myself, I can tell the hon. parliamentary secretary that public support is a subject that was brought up very regularly by various people.

One of the reasons why we end up with outstanding accounts—if you add up the GST, accounts in dispute and outstanding accounts per se, as they appear on the books, it is in excess of $9 billion—is that somehow individuals do not abide by the applicable part of the social contract, in terms of how revenue is to be collected. So, the system will have to be changed, so that the public can get the right idea. In some cases, public perceptions are quite accurate, but in others, perhaps if we could clarify and simplify things, people could change their minds about certain commonly–held beliefs. But in order to do that, we must lay our cards on the table and not be afraid of being truly transparent.

• (1545)

Another measure dealing with mine reclamation funds permits a tax deduction for contributions to these funds in the year in which the contributions are made. This will benefit these businesses, particularly those which had trouble taking advantage of these measures when closing or confirming their operations.

This bill contains a number of positive measures. I will review two of them, which can be described as being positive but requiring closer scrutiny. One is the capital gains exemption. A few years ago, this exemption was set at $500,000. The first $500,000 in capital gains was not taxable. To help people understand capital gains, I will give an example: Someone could buy, not a principal residence which does not qualify, but a secondary residence, a cottage, for $20,000. When he sells it later for $50,000, he makes a $30,000 capital gain which becomes taxable income. However, the first $500,000 in capital gains is tax–free. At least, it used to be $500,000.

The first reform reduced this exemption to $100,000. Now they want to eliminate it, arguing that it only benefits the rich. This statement, however, requires careful scrutiny. If this measure benefits the rich, it also benefits the future. Some of those who used this capital gains exemption are not affected because they have already exceeded the limit. Many people benefited.

When we say that our financial situation is difficult and that the country is in debt because of our social programs, we should take an occasional look at the cost of tax expenditures. If this approach is not valid today, why was it in the past? Of course, we can say at some point that we must provide the tools needed to stimulate investment, to encourage people to invest in economic development, with appropriate tax incentives. Although investments are still needed today, we say: "No, this measure benefits the rich. It took us a while, but we have finally realized it". In reality, this penalizes young people like myself, people of my generation. Those who would have benefited in the future will be denied this advantage. This is a sacrifice we are willing to make in the fight against the deficit. Although we are willing to make this sacrifice, I find it very difficult to believe that it penalizes today's rich people.

We now must work on this in committee and I can say right now to Liberal Party members: Older people seem to have a problem with this measure this year. The finance minister's budget provides an election in respect of gains accrued before February 22, which authorizes tax–selling throughout the year. To go back to the example I gave earlier, suppose I now have a cottage worth $50,000, which I bought for $20,000. I could resell it to myself for $50,000. If I sell it for $80,000 in 15 years, the only taxable portion will not be $80,000 minus $20,000, or $60,000, but $80,000 minus $50,000, or $30,000, which is the increase in value between February 22, 1994 and the date of the sale.

So this year everyone can sell their tax benefits to take advantage of the exemption for the last time. They must do so before the end of this fiscal year.

Take a senior who collects an old age pension or the income supplement. He must declare it on his tax return under capital gains so his net income which is used to calculate the amount of his pension is artificially increased this year, even though he did not collect it as income. As a result, he might lose some pension or income supplement. There is a problem, because some seniors are being penalized. We would have to know who is being penalized. We will need the information. How much money is involved and why was a mechanism not provided so that people are not discriminated against on the basis of age? Someone who is 64 is not affected, but someone who is 65 or older and makes a capital gain may find his pension or income security affected.

• (1550)

This needs to be looked at carefully. I say that some amendments should certainly be possible. I talked to some accounting offices and they told me that it happens in many cases. Sometimes people take a while to react and now, thanks to the vigilance of some people, we are starting to realize that things are not quite right and that something is not working as it should. We must ask the government whether it intends to penalize seniors or if it is ready to develop some way so that they can avoid being penalized.

I comment now on another measure, the tax credit for charitable organizations. Since the government wants to implement a social program reform which will hit hard, there is good reason to consider providing additional support, so that these groups

would somehow have the option of finding their own sources of income. Many officials representing community groups, agencies, charitable institutions and philanthropic organizations told us that this was an avenue to pursue, adding that an evaluation should be made of how much it costs the government to either give funding to organizations, or encourage them more strongly to raise funds. Then the government's participation, from a fiscal point of view, should be looked at.

This is an avenue which must be pursued thoroughly, and the minister should conduct such an analysis before going ahead with in a social program reform which will adversely affect these groups.

The few measures proposed to close some loopholes are symbolic of the will of this government to eliminate all existing loopholes in the taxation system. We keep raising the issue of family trusts, which is still being examined by a committee. More people than ever before feel that there is a lot of money involved. It is very difficult to get information. In fact, it is almost impossible. But the government does not seem interested in getting that information.

The government will consult on just about anything, but it cannot provide the required information to form an opinion on this issue. Eliminating family trusts might be much more profitable for the government than implementing the few proposed measures. These measures must be taken too, but there are initiatives which would help restore public confidence.

People say that there is a problem with family trusts. When it comes to RRSPs, the government says: What we want to do is take a chunk of your future income now, either by taxing RRSPs or by lowering the maximum to which you can contribute. It is essentially telling people that they will have to pay taxes immediately instead of when they cash in their RRSPs. However, the government does not follow the same reasoning when it comes to capital gains in family trusts. Indeed, it may take up to 80 years before such gains are taxed.

I do not see any logic there. The time has come to target the general public—and it is true that this is the most profitable move, because it affects the largest number of people—but the middle–class is tired of always being the scapegoat, while those who earn the most are left alone.

I watched the Minister of Finance last week, when he was the guest on Jean–Luc Mongrain's program. There was a pyramid of small blocks representing social classes. Mr. Mongrain asked the minister: Where are you going to cut? The minister was hesitant in choosing a block, thinking: I cannot really go for the middle one, because all the other blocks will fall and it would not look good. He was reluctant to take the block at the top. And when he realized what he had to do, Mr. Mongrain asked him: "Why not take the top one?" He took it without any hesitation and said: "I will take them first". Surprise, surprise! Everybody saw him hesitate when he went for the block in the middle, representing the middle class. That was an object lesson people will remember.

There is another aspect to this and I am referring to butterfly companies and tax shelters. This was partly addressed in the last budget. The government should listen a little more to the Auditor General instead of just paying him to publish his annual report!

• (1555)

The government has invested $50 million in the Auditor General's activities, so we might as well make sure this money is made more productive. I am not saying they are not doing a good job, but the government has to use the information they provide. There are still many so–called problem countries listed because of the opportunities they provide for tax evasion as a result of a lack of reciprocity between their tax systems and ours. There are still 16 countries on this list, and in some cases an investigation followed by corrective action would be necessary.

It gets very complicated when you want to go after the top blocks. When you want to get at the top of the pyramid, it is not easy, and the government never seems to have the best tax experts. They are all in the private sector, and they know how to use the tax system to make money. So I do not believe that is the answer.

We have resources here to be able to evaluate all this. People know that but of course there is a very strong lobby, and lobbying expenses are tax deductible, would you believe. They did not talk about that either. They may talk about cutting the amount you can deduct for charitable donations, things like that, but never a word about lobbyists. Perish the thought!

I was talking about the measures we support and that there is room for improvement. I will now talk about the measures we oppose, because we will vote against this bill since it contains measures that would not appear and, in fact, are not in order. Those of my colleagues who will speak on this bill will have a chance to come back to this issue, however, the government singled out the age credit and I will devote a small part of my speech to that.

Although we did not estimate its impact precisely, we have some questions about the reduced deduction for meals and entertainment. We are not necessarily dead set against it, but we would like to evaluate its impact, and we will be able to do that in committee, since there is some time left before its implementation.

Then there are the investment tax credits. The notion of regional development seems to have been dropped. The region is Canada as a whole. I will come back to this to explain what happened. Technically speaking, it is rather complex, but things have happened. There again there is a lack of imagination. Revenue has to be raised but during election campaigns candi-

dates always say, and the Prime Minister was no exception: "We will not raise taxes, at least not in the first two years".

Yet, we tax employee benefits like employer-provided life insurance. Previously the first $25,000 of coverage were tax free, this will no longer be the case. Why is the government afraid of saying that it is a new way to get more money? Because it would not be able to claim that it did not raise taxes. However, taxpayers realize that as the years go by, there is less money left in their pockets.

They are told: "No, we did not raise taxes". They think: "This does not make sense! The government finds all kinds of tricks to come and take our money". Then, people start getting mistrustful, and they think: "It is my turn now to get even and find ways to avoid giving money to the government".

Therefore they deal under the table, they pay cash and avoid paying taxes. Merchants, too, get on the bandwagon, for they are also consumers. Many small merchants, who belong to the middle class, are just as frustrated as consumers; they understand their fellow consumers and they do the same thing. This is how the underground economy was created. The finance minister does not agree with his colleague, the revenue minister, on the size of the underground economy, nor do they agree on the importance of tightening the collection of unpaid taxes.

For his part, the finance minister claims that efforts are needed, that it does not make sense, whereas the revenue minister tries to minimize the situation regarding unpaid taxes. With a sudden change of heart, Mr. Martin realizes that there is a good deal of money there, but he admits that there are few solutions for improving the situation.

You know, we have seen it before. Year after year, it is the same thing. I recall especially the past three years, maybe because I am the youngest. I believe the next budget is going to be tough, it is going to hurt. This is what we see in the press every November or December. In January, the finance minister will say: "I will not comment on individual measures, wait for my budget". In February, we get a budget which is not all that tough and the deficit for the year is reasonable. The big deal this year is that the deficit is not higher.

• (1600)

It will probably be around $38 or $39 billion, but some expenses are not recurring. This year, for instance, the Unemployment Insurance Fund has a surplus so that the deficit is two to three billion dollars less than last year. But this is not a reason to rejoice. We have skipped a turn, there was a non-budget or rather a budget without any effect. They believe that economic growth will solve the problem but we will need much more than that.

I would now like to talk about the regional investment tax credit. I will try to be as simple as possible about all the technical aspects. There were three regional investment tax credits. There was the special investment tax credit; the investment tax credit in the Atlantic region and the investment tax credit for scientific research and experimental development, also in the Atlantic region. To tell you the truth, nothing is simple in the taxation system; there are numerous credits, and the fact that the federal government wants to take action of its own in regional development often results in that kind of situation.

The first one, the special investment tax credit of 30 per cent is abolished. It was mainly used for buildings, machines and equipment.

The second one, the investment tax credit in the Atlantic region, is reduced from 15 per cent to 10 per cent.

The other one, the investment tax credit for scientific research and experimental development, which was 30 per cent in the Atlantic region and 20 per cent elsewhere, is reduced to 20 per cent across the board.

We can see that regional investment tax credits are generally not considered as effective economic means to attract additional investments. After a while, we can see that they do not have the results expected.

The real question to be asked is: Why? Why did it not have the expected results? Because there must be a direct incentive somewhere. Maybe if there were not always the same problem with two governments, each in its own way, trying to stimulate experimental development, especially aimed at small and medium size enterprises—because it is the thing to do nowadays, when you are a finance minister, to talk about small and medium size enterprises. They talk about it but they do not necessarily act on it. It always sounds good in their speeches. They talk about measures especially for them.

When you look at the way things are, when you look at these people, who are born entrepreneurs, who came up with good ideas and were able to capitalize on it, you come to the same conclusion as many have, including the Standing Committee on Industry and other committees. These people have strong points, these are brave and enterprising people who are helping to build Canada and Quebec, but they also have some weaknesses, one of them is their lack of administrative expertise. This could explain why some projects have failed.

These people are good businessmen and women, with good ideas, but we provide them with such complicated tools; depending on where they are located and what they do, with this type of tax credit, there are three possibilities— They become so disheartened that they start to think that, with all the time they are going to lose on these tax breaks, they might as well go back

to their business and get some more work done. It would cost less and they would be able to save more money than they would have by using the tax credit.

They are not entirely wrong, since consultant services in this area, whether we are talking about lawyers, tax specialists, or others can be costly. This may be why they are not widely used.

With regard to regional development, here is what we say to the federal government: Instead of squandering your money, why not transfer these resources to the provinces which are probably in a better position to understand the specific needs of their regions. In turn, the provinces can allocate this money anyway they want to.

For example, transfer the tax points and assess how much these credits are costing you. Tell yourself: We still want to help businesses, because we know there are future entrepreneurs out there and we want to help them work on their weaknesses, like their lack of interest in research and development, so we will provide them with the means to do so. Transfer the resources where they are needed. We are not talking here about transferring dozens of tax points, these are not major expenditures, but we will see what will happen.

• (1605)

I am convinced, as many others are, that the closer a level of government is to people, the more it is able to understand the people's specific characteristics. We should stop managing everything from this level and we are certainly not doing so with this measure. What the government is doing once again is setting its own standards nation–wide, and it will continue. . . I am sure other tax credits will be created and soon the situation will be just as complex as what we have now.

This year, the Auditor General was harsh in his judgment, especially on the issue of money. Even if our country lags behind in the area of research and development, the little we spend, we spend inadequately. And this comment applies to all areas. In almost all fields of activity, people say we are spending too much and they are convinced there is a better way to spend whatever amounts we do spend. Better spending practices alone would improve our performance in the area of economic development. But it is hard for such changes to get to the top, all the way to this place. Whether we are talking about the tax system or the transmission of information, it is always a problem for changes to reach the highest levels. The message does not always get there, in spite of numerous consultations.

Another measure is the age tax credit. It certainly is striking. At one time, the present Minister of Human Resources Development was a member of the opposition. He was there during the Tory period. We all remember the Charlie Brown incident, when the Tories launched an attack on the old age pension. Just look at what he said in those days. He said this, about the budget, here in this House, on June 18, 1985: It is a fact that the government has reduced considerably, and in a backward way, the purchasing power of seniors. Not only are they being deprived of income assistance, but their purchasing power is also being reduced. And as if this was not enough, the government hits them again by cutting two billions—in dollars of 1985—in transfers to provinces, between now and 1990. Clearly, this budget is an attack on several fronts against seniors'incomes. Now, in their first budget, the Liberals reduce the age credit. Eight years later, they do exactly was they opposed back then.

We sometimes have this impression of déjà vu. At one time or another, we all feel as though we have already lived a particular experience. Since the beginning of this new Parliament, we often have this feeling of being back to 1985, under a Conservative government. The Liberals conduct the same consultation exercises that they criticized before, and they do so regarding the same issues. They deal with problems in the same way as the Conservatives did, something which they would never have dared mention during the election campaign.

Let me explain this age credit. People aged 65 and over can ask for a tax credit equivalent to 17 per cent of $3,500. This is a non refundable credit; in other words, it can only be applied to the tax payable. If there is excess tax to be paid, the credit cannot be refunded. That credit translates into a tax reduction of about $610 per year. From now on, seniors with a net income of over $25,921 will see this credit diminish progressively with every dollar over that amount. The credit will totally disappear when the income reaches $49,100. Is this the level to be found at the top of the pyramid the Minister of Finance was talking about during the TV interview he granted to Mr. Mongrain? Was that the top block, an income of $25,000 or $26,000 for the elderly?

In the meantime, a new level of Old Age Security benefits is being added. The government clawbacks the old age pension it pays to people with incomes over $52,000. This level includes income from about $52,000 to $80,000. Now the government is proposing a new level for incomes between $25,000 and $49,000. Is this the basis for a new scale or, where old age pension is concerned, is the government trying to add new levels to the existing scale in order to reduce benefits? I think we have good reasons to be concerned. Very often, this is the way things happen. Once you have an in, it is easy to do whatever you want. Here, the government has set this new level and in the future we will most probably see the government adjust or recover pensions paid to elderly Canadians with a net income of over $25,000.

• (1610)

Older Canadians are concerned and have trouble understanding why they are the first to be picked on in this budget. Over the next three years, the government will recover $500 million. In 1985, the Minister of Human Resources Development feared that the then government would clawback $2 billion over a period of five years. But now he is not concerned about the $500 million the government will recuperate over the next three years. The worst part is that what he was objecting to was partly implemented, therefore older people already lost money. He

thought that was indecent, but now that the government is asking for more he is in the Cabinet and he is going to do it.

My colleagues will have a chance to elaborate on the issues regarding seniors, but I must say that senior citizens are more and more concerned. This is somewhat ironic, because members opposite, to fight Quebec sovereignty, go to retirement homes and talk to seniors, trying to scare them. They tell them that Quebec separation would endanger their well–being and they use the vilest substantives they can find. They blackmail them with their pensions, because the cheques they receive bear the logo and flag of the federal government.

Yet, this same federal government is the first to pick here and there in their pockets. Yes, there is something to do collectively to fight the debt. While there might be some categories of senior citizens willing to do more, they do not want to be first because they do not seem themselves as different from other taxpayers. We should strike at the top of the pyramid, at those who benefitted from the capital gains exemption in the past. Today they are still alive, and probably rich. This is no coincidence.

When we draw the pyramid, we realize that the top gets higher, but that the middle is slumping. We have a pyramid with an ever bigger base and an ever higher and narrower peak. The gap between rich and poor is widening.

Of the 20 million taxpayers, 50 per cent have incomes of less than $20,000 and 60 per cent, below $25,000. At this level, there is not much hope of getting at the top of the pyramid, and by so doing perhaps make our society more equitable, high enough to dare demand that those who finance the major political parties do their share to solve the debt and deficit problem in general. It seems difficult to ask for such an effort.

In conclusion, all committee members will look at these legislative measures in detail and report back at third reading in this House. This is a relatively timid and cautious budget, probably because the government ran out of time. People have high expectations for 1995; they expect us not only to reduce the deficit but to do it in a fair and equitable manner. Successfully meeting the debt challenge requires that everyone co–operate by fighting the temptation to evade taxes. To achieve this goal, people must know what the government's intentions are and feel that it is acting fairly and equitably. They are willing to give the Minister of Finance a chance because he is new at this and because this will be his first real budget this year.

They may blame him for wasting a year. We lost two years because of the election; one year because after its leadership race, the Conservative Party did not dare table a budget. They decided to give some leeway to the new administration. Then the newcomers argued that they got there too late. As a result, we lost two more years in the fight against the deficit, two more years during which the debt grew by $40 billion. That is a lot of money. This additional $80 billion is costing us between $5 billion and $6 billion in interest charges alone.

• (1615)

That is a lot of money, and I cannot help talking about an impending threat with respect to the next budget. Rumours to the effect that RRSPs will be affected continue to circulate. And there is no truth to the allegation that the Official Opposition is keeping it alive, contrary to what the hon. Parliamentary Secretary to the Minister of Finance maintained three or four weeks ago and, realizing it was not credible, stopped saying so, but now, someone is playing the parrot, taking an old quote and circulating the same rumour again.

The Minister of Finance could very easily state, in any of the speeches he makes in his travels—because I am convinced that he gets media attention when he travels—that plans to put government finances in order, for next year, do not include taxing RRSPs. Because there is a problem. People who try to sell RRSPs, who are trying to get other people to contribute, are faced with the normal reaction of individuals telling them: "Sure, but there is much talk about RRSPs. Apparently, they are going to be taxed. We are going to have to pay tax on that money". It does not sell well. Potential customers are sceptical.

They may go for it, but it will probably be more difficult this year to sell RRSPs, and that constitutes saving. One of my colleagues, the hon. member for Rosemont, quoted statistics on consumer saving in Canada, showing the decline in saving. On one hand, we could be glad that people are consuming more and stimulating our economy, but on the other, we must be concerned because their ability to consume is increasingly limited.

There is a problem, because our recovery could level off, especially with what is happening to economic growth in the United States, which is operating close to capacity, raising fears of inflation and all that this involves. So we need savings. Hitting savings would send a very bad signal. Not only is our future being mortgaged and our debt burden very high but today they want to take a bite out of our future income as well.

I am very worried. I am trying to think what the situation will be for a finance minister in 15 or 20 years. He would be able to count on the income from retired people since they will be cashing in their RRSPs. Instead of collecting benefits, many will be taxpayers. If they are not encouraged to invest in their own retirement—and anyway, all they are doing is deferring income tax—what will happen in 15 or 20 years? Again, the room to manoeuvre will be limited.

Let us solve the government's financial problem without touching RRSPs and within 15 or 20 years, we will have a much greater pool of revenue. I am concerned, but it also makes me smile, that in the finance minister's grey paper, it is listed as a tax expenditure, with a very awkward calculation, but basically it is deferred income. If someone puts money in an RRSP, it will be taxed when he takes it out.

It is true that many taxpayers could find their RRSP taxed at a lower rate than it is today. That is the incentive for the government and that is a tax expenditure. The tax expenditure is not the amount which taxpayers can deduct this year: It is only the difference between what they would now pay in taxes and what they will pay when they cash in their RRSPs. This might be a sizable amount, but it is also the actual figure which the government should quote.

However, the government uses a different approach. It would rather come up with huge figures and say: "It costs us $15 billion". We are not only talking about RRSPs, but also about registered pension plans. The government says that it badly needs money and that it must get it somewhere. Then it is quick to add that it might be a good idea to look at this option, using the argument that rich people who put a lot of money in their RRSPs are benefitting more than others.

But that is not necessarily the case. Indeed, when these very rich people cash in their RRSPs, chances are they will still be in the same tax bracket. Consequently, in their case, it is strictly a tax deferral.

• (1620)

The government should tell it like it is. When it calculates tax expenditures, it should do so accurately.

In conclusion, I want to point out that there are measures such as the use of RRSPs for the purposes of the Home Buyers' Plan. RRSPs could be a more effective tool for economic development, based on the argument that, maybe, people should invest more at the local level. Whether or not this is a good idea could give rise to a long debate.

So, the government takes such measures but, at the same time, it is considering going after RRSPs. This is not good, and I hope that the Minister of Finance will have the courage to say: Enough is enough, RRSPs will not be touched this year. Just like he said he would not lower UI contributions.

The Bloc Quebecois opposes the bill as a whole because it targets seniors. Some measures will have to be clarified in committee and, in any case, we will discuss it again at third reading. The real budget will be tabled next year and people will not be as tolerant as they were this year. That budget will have to bring results.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise today to address Bill C–59, an act to amend the Income Tax Act and the income tax application rules. This bill is nothing more than a 110–page sequel to the confusing, convoluted Income Tax Act which has become a 10,000 page script of income tax rules, regulations and subsections.

I am beginning to think that the Income Tax Act is some sort of secret government IQ test. Like most sequels, Bill C–59 serves up more of the same, showing no new ideas, no new twists and, for the most part, it would have been better if the writer had sat down and spent the time writing something new.

With Bill C–59 the federal government eliminates the $100,000 lifetime capital gains exemption which will seriously impede the build–up of capital in Canada. This is at a time when most wealthy people have already used up their exemption, whether it was the $500,000 or the $100,000. It is nothing more than a tax on the middle class who are the very people the Liberals purport to represent.

What the government should be doing is eliminating $5 billion in direct subsidies to businesses and start privatizing some of the 380 crown corporations. Like the Conservatives, the Liberals have continued to pick the pockets of taxpayers.

The biggest job that the Liberals are working on right now is figuring out how to get more money from the taxpayer without disturbing the voter. It boggles the mind to watch the government go after capital gains. It is considering taxing RRSPs and it is apparent that the Canada pension plan is in major trouble due to revenue shortfalls.

The questions that beg to be asked by Canadian taxpayers are: What is in it for me? Where are the incentives? What benefit do we get from government spending? Can someone give us a break? The answer is no.

The average benefit to taxpayers is about $20,000 per person while they are paying out about $22,000. In other words, they are getting less in benefits from the government than what they are paying in taxes. That is why people are very sensitive about paying taxes. We are at the high end of the tax scale. In fact, we are too far at the high end of the tax scale.

For the Liberals it is the same old story. The answer to these questions and problems are very complex. They must be studied. They will need committees, subcommittees, task forces and of course, to quote the finance minister, input for effective output and we must square the circle to solve the problems facing Canadians.

A planned economy is what the Liberals are targeting with infrastructure, a $2 billion expense; CIDA, Canadian Interna-

tional Development Agency, $2.2 billion, let us develop the other countries, let us help them not Canada; direct grants and subsidies to businesses, $2 billion. Yes, a planned economy. That is when the politicians make the plans and the people make the economies.

We have seen this movie before under directors Trudeau and Mulroney. Now we are going to add director Chrétien to the list. The only solution the current finance minister can come up with is to blame, first, the previous government for the inherited debt of $480 billion, as the Liberal government conveniently forgets that close to $200 billion of that was left by them when it left the House in 1983–84.

• (1625)

Second, the finance minister blames the Bloc Quebecois, the separatist official opposition, which he claims is negatively influencing the investment community.

Third and most recently, after a year in power he blames small and medium size businesses for not increasing productivity in the marketplace. It is their fault the economy went into a recession, according to the finance minister a couple of days ago in an interview with the *Financial Post.*

What will be the fourth excuse? I do not know but it will not be addressing the real issue. I would like to tell Canadians that Reformers and the Reform Party are currently working on a different script, a new story that will have a better ending for all Canadians.

If there is anything this bill proves it is the need for true tax reform. Listen to the 12 items the finance minister is trying to deal with: capital gains exemptions; employee benefits; age tax credits; homebuyers plan; charitable donations tax credit; business meals and entertainment expenses; tax shelters; partnership interests; divisive corporate reorganizations; investment tax credits; expenditure limit for scientific research and experimental development; small business deduction and mine reclamation funds.

Mr. Schmidt: Mind boggling.

Mr. Silye: Yes, mind boggling.

Although we support all of these measures with the exception of the capital gains elimination, it represents a whole bunch of tinkering with little gain for Canadian taxpayers and the government. It has spent a year doing nothing but politics as usual, as did the Conservatives. Canadians voted for change. They thought the Liberals would change the way we conduct business and they have changed very little.

We need a new set of principles to set a new direction for federal taxation. The need for reform in matters of taxation is widely recognized. The federal government under Brian Mulroney raised taxes 33 times and implemented the GST plan in the face of widespread opposition.

The Liberal government is now considering revisions that will inevitably prove to be even more unsatisfactory, a combination of the son of GST, called the NATVAT, or a surtax on income or both. Consumption taxes on top of income taxes are not the answer.

Five fundamental principles should be applied to the Canadian system of taxation: first, all taxation programs of whatever kind should be for the exclusive purpose of raising revenue to fund authorized government spending and should not be for the purpose directly or indirectly to shape economic or social activity.

Second, all taxation programs should be consistent with the governmental role of creating a framework. It can be square or round, whichever—we do not have to mess around, whether we square it or round it, or round it or square it—just do what is right so it widens people's choice and wherever possible leaves power and responsibility in the hands of the people.

Third, tax legislation should be simple and easily understood by taxpayers, permitting most taxpayers to file their own returns.

Fourth, taxation should be visible, that is, no hidden taxes.

Fifth, rates of taxation should be limited and not punitive for both individuals and corporations. The incentive should be to reward production and leave more dollars in the hands of taxpayers and wage earners than the government. The only purpose of taxation should be to raise funds.

However, we have become accustomed to a multiplicity of objectives in our taxation system. It tries to encourage domestic production, investment in certain industries, charitable donations and further education. It tries to discourage smoking, drinking, imports and pollution. Unfortunately it also ends up discouraging taxpayers.

There will always be convincing arguments for making the taxation system more responsive to some other government initiative. Examples are taxes on petroleum products to protect the environment; taxes on alcohol or smoking to reinforce moral standards and healthier living.

• (1630)

Once we give in to one of these arguments we leave ourselves open to making judgments based upon personalities, effectiveness of lobby pressure, political expediency and other human frailties.

I believe the only purpose of taxation should be to raise funds needed to pay for government programs approved by the Canadian voters. I believe a proportional tax is the answer to creating a simpler, more efficient and more effective system of taxation.

The idea of a proportional tax is an attempt to improve upon the flat tax models that have circulated for many years to improve upon the single tax as proposed many years ago by the member for Broadview—Greenwood who is presently working on the single tax and trying to refine it, improve it and make it understandable to the government. Now that he is on the government side it would be hoped that members of the government would pay more attention to the proposal because it has a lot of advantages. There are a lot more advantages than disadvantages.

Of course it has that one big weakness that governments do not like and that government bureaucracies do not like. It is too simple and because it is too simple it will not work. It has to be complicated, convoluted and confusing before governments will support it.

An hon. member: Isn't that a shame?

Mr. Silye: That is a shame. Much has been made of simplifying the tax system. Successive governments have succeeded only in adding dramatic complications while explaining at the same time that they are simplifying it.

The member for Broadview—Greenwood as he spoke to the bill today found himself saying—and it was the only part of the speech I did not like—that he supported the 12 measures and that it did improve the Income Tax Act. While it laid out a more level playing field in 11 areas, it distorted the capital gains area. It is easy to fall into that trap.

We defend a bill by explaining that it simplifies things, yet we are adding to the problem. I do not know the cost in millions of dollars for this one bill alone, but it probably involved modifying different regulations, sections and subsections to get the 12 items changed in the Income Tax Act.

Mr. Schmidt: It is 110 pages.

Mr. Silye: No, the Income Tax Act is more than 110 pages.

Mr. Schmidt: No, no. That is the addition.

Mr. Silye: The addition is 110 pages. It is amazing. The vast majority of individual Canadians should be able to confidently prepare and file their personal income tax returns without the services of tax consultants. Tax consultants should be busy calculating taxes on profits, not companies going into receivership.

Requirements of a simple and fair income tax system are one flat rate of tax, one personal exemption amount per individual, the same deductions for all individuals and corporations, and a clear understanding of the definition of income. A simplified tax system also allows lower income individuals to claim a personal exemption to avoid taxes on a basic living income. An individual's income is much easier to track than an individual's expenditures.

I would suggest that a proportional tax on income is the most acceptable tax model for Canada. It is a flat tax model that would be ideal for provincial and municipal governments, although I am aware that the federal government cannot and should not force provinces and municipalities to adopt any particular tax policies.

What I mean is that the government determines where it should spend the money, what programs Canadians want and need and how much is required to deliver services. In the process it has to be evaluated which government can better deliver a service. As some of the services are pushed down to lower levels of government and are within provincial jurisdiction, they are given the same points in taxation to raise the money for services because the federal government will no longer need them.

That is how the system would work. That is how we could clean up the current Income Tax Act. That is what I mean by taking out income taxes as the driving vehicle for economic and social development and social policy.

I call our version of the flat tax a proportional tax versus a flat tax or a single tax because it would be calculated in proportion to family size, income and therefore according to the ability to pay. I will explain that a little further on when I get into a sample of a single page tax return that I know members would look forward to filling out one day in the near future.

• (1635)

There is considerable logic to adopting a taxation system that can be efficiently administered. The calculation of income would utilize generally accepted accounting principles without special rules specified by government.

This proposal defines income to be productive income from employment, business and investments, including interest income, capital gains, pensions and dividends. It also allows immediate deduction of capital acquisitions in the year of purchase but would not tax capital gains on an individual's primary personal residence due to many economic variables over a long period of time.

Let me review two tax forms that I believe would improve our international competitive advantage if we adopted them within two years. I am borrowing some of these points from the member for Broadview—Greenwood, but it is very critical at this point to get a handle on excessive spending by governments, have more efficient and effective spending by governments, determine which levels of government should be raising and spending that money for delivery of services to the people, determine which crown corporations should be privatized and which ones are better administered and run by the private sector versus the public sector. I cannot be told that all 380–plus crown corporations are better in the hands of government bureaucracy.

I recommend that over 90 per cent of them are better off in the hands of the private sector.

Yes, there are some businesses and corporations that should be administered by the crown and we should retain them, but we should have a review of which crown corporations should stay in government hands and which ones should go to the private sector.

By deciding which level of government should deliver a service we have removed the need to raise *x* amount of funds for the federal government. By privatizing we eliminate the need of direct subsidies to crown corporations and businesses of $2.2 billion. That is another saving.

Another aspect is the process of doing a government review of government programs. No standing committee that I know of reviewing the prior year's spendings on the main estimates talked about a sunset clause. We do not have a habit of doing that in the House.

Very few programs expire on a certain date; they go on ad infinitum. In many cases cabinet ministers, ministers of the crown who are currently trying to do the job that they were elected to do a year ago, are in no way, shape or form in control of the purse strings. Money is being spent by administration, by the departments, that they only find out about if it hits the newspapers or if opposition parties point out the misspending of moneys. That just proves my point that we hold cabinet ministers accountable but in effect they are not the ones who are spending the money.

This has to be fixed and we are trying to tell the government how to fix it. We are trying to point it out to the government, yet somehow it refuses to listen to us and ends up embarrassing itself. It knows full well that it is not in charge of these funds in all cases.

Let us get back to the proportional tax system and what a flat tax would be like. It would be one page in length. It would be one side only. The other side would be blank so it could be folded and mailed like that. It would have employment income; investment income which includes interest, dividends, capital gains and rental income; and any other income which includes UI benefits, pensions, old age security payments, alimony, child support payments and foreign income. That would be all the areas of income that would be defined. The key principle under income is that a buck is a buck. All personal income generated in any form should be taxed with no special treatment for various forms of income.

From this income would be deducted, for example, the personal exemption. Everybody would have a personal exemption of $12,000 to generate income; a spousal income of $6,000 less the spouse's income; a child care deduction of $5,000 up to age 7 and $3,000 between ages 7 and 14. RRSP contributions would be deductible but the maximum would be $6,000, not the current $13,500. That would tax higher income people. They would not be able to find loopholes to reduce their taxable income.

• (1640)

This tax form is geared toward the middle income which comprises the majority of Canadians. This taxation system would help them. It is a taxation system geared to help people who make between $45,000 and $65,000 per year so they can raise families, look after their homes, look after their spouses and look after themselves.

There would be an age deduction of about $2,000 for 65 years of age and over. If foreign income is declared, any foreign tax paid would be offset. Other mandatory deductions would be UIC premiums, CPP contributions and any alimony or child support payments.

The deductions I have gone through on a personal tax form are at levels the middle class can afford. It would result in more tax being extracted from the wealthy than is now the case and would leave more disposable income in the hands of taxpayers.

Mr. Mills (Broadview—Greenwood) What is your rate?

Mr. Silye: I will get to my rate in a minute. Lower income earners would be basically exempted from paying tax and families would be granted a generous deduction to help them get by on one income.

Leaving the dollars in the hands of the people who make them in the first place eliminates the need for the government to collect and redistribute the funds. There are handling costs both ways and the net result is that the person who is dishing it out and is making $18,000 a year and qualifies for some social assistance gets less back than what he or she had in the first place. Why not leave it there? That would help relieve some of the strain, stress and pressure on our welfare program. It would be a form of savings for the government as well.

The purpose of the RRSP contribution being reduced to $6,000 from $13,500 would be to gear the program more toward middle income earners, thus not appearing to favour the wealthy. Spousal income up to $6,000 would be filed on one return. However any spousal income exceeding $6,000 would require a separate return with a $12,000 exemption allowance. It might be a little difficult for two people to fill out two forms but I do not think that is as difficult as the current tax form.

Let me refer to the advantage of the deductions I have described. The child care deduction would help solve two of the biggest problems in our society today. We have the Suzanne Thibaudeau case wherein the recipient of child support payments said they were not enough money and she does not wish to pay tax on them, whereas the payer of the child support payments has a deduction. If we do not allow the deduction for the payer and do not tax the recipient, we will find that settlements will be less and the whole single family syndrome will be distorted.

To help solve the problem, we would allow a reasonable amount for child care to be given to all families, to all wage earners, of $5,000 up to age 7 and $3,000 between ages 7 and 14. If there is a divorce, and it happens in 50 per cent of the marriages these day, the recipient of child support payments would be allowed to offset that income. The deductibility would be back to normal. It would help solve a big headache for the finance minister.

Members of the government have private members' bills that conflict with what the finance minister knows to be valid and true in terms of the taxation and deduction system. They are at odds and have a problem on their hands. I am offering them a constructive solution.

That is what a proportional tax form would look like. Some people have asked me outside the House: "How are we going to make investments? It is going to hurt the economy". The rate charged in the proportional tax would be between a low of 15 per cent and a maximum of 20 per cent. It would be somewhere in that rage. It is a range right now because we have to determine what services the federal government will keep. What services is it going to look after? How much money is required for those programs? To raise that amount of money it can look at the gross incomes, look at the GDP and establish the rate.

• (1645)

A corporate tax return would be just as simple. It would be one side of one page. The gross income would include GST or NATVAT or a combination, and all corporate income. The deductions from this would include GST or NATVAT paid and the cost of operations: goods, services and materials; wages, salaries and benefits; interest payments; and pension contributions. Another deduction would be dividends paid out for domestic shareholders only. This eliminates the current problem of double taxation on dividends.

Another deduction would be capital investments at cost, no depreciation. That might surprise some people because a company might be generating $2 million in sales and qualifies for a loan at the bank and qualifies for a $4 million land and building. That would be deductible against the $2 million income and would create a loss. That loss would be carried forward until the profits chewed it up. I believe we should only tax income once and the recipient of that $4 million would be paying the income tax.

The total deductions would be subtracted from the income and the answer multiplied by the rate of 15 per cent or 20 per cent. I recommend not to go higher than 20 per cent and not to go lower than 15 per cent. A system like this is simple. It is understandable. It is equitable and would be a lot more efficient.

The fundamental approach to corporate income is to ensure that income is only taxed once, as I mentioned before. If we apply this principle to the current GDP of $750 billion this could generate a 15 per cent tax rate. Assuming that income is only taxed once that goes through the economy and would generate $112 billion. At a 20 per cent tax rate it would generate $150 billion.

We could almost have a balanced budget. If the government spends around $160 billion including the interest on the debt to raise $150 billion out of a taxation system at a 20 per cent rate and leaves disposable income in the hands of those earning it, the corporations and individuals, they would be making their investments with after tax dollars.

There would be no need to have tax driven deals and tax driven models. Accountants and tax lawyers would not be figuring out ways to create loopholes for the following two years which have to be shut off. That cycle would end.

People who take care of their basic needs, their food, shelter and clothing and make over, say it is $25,000 or $45,000 whatever the amount is, might have a few thousand dollars to invest. They would invest after tax dollars. They would give it to a corporation. It could be a mining company trying to raise money, an oil or gas company trying to raise money, or a manufacturing company trying to raise money.

That company would invest the seed capital, generate its product or services and would make a profit. The company would pay out dividends to the shareholders. The company would get a deduction and the recipients would pay the tax. It all works. You do not need tax driven investment in this society.

If we just get our mindset into an acceptable mode for a paradigm shift then we could make progress. The problem is that not enough people in this country are ready for the change. I will echo what I heard earlier from a government member on this issue. Until people say they want change, until Canadians recognize that change is attainable and there is an alternate solution to this dreaded Income Tax Act and the income tax that continues to rise and confuse people, until they accept the need and demand change, nothing will happen.

I encourage all those who hear this debate to write their members of Parliament or the finance minister with a copy to their members of Parliament. Demand a response to the question: Mr. Finance Minister, why will a flat tax not work? If he has no answer, then ask him to check with the member for Calgary Centre. I will provide him with some talking points.

• (1650)

I want to speak about the provinces again for a second. The current provincial tax rate would apply on the federal tax payable as it is now.

With corporations paying for tax this could mean more revenue. We always hear from the Bloc members and some government members that corporations do not pay their fair share, that we have to tax corporations more, individuals at their maximum, but we have to go after corporations.

Corporations would be glad to pay 15 to 20 per cent. Individuals would not be glad but they would be willing to pay 15 to 20 per cent. Then we would get rid of a good portion of that underground economy which people know can vary from as low as $18 billion to $100 billion depending on the economists and their mood for that day. If we brought this income out into the open we would make gains.

The GST or the NATVAT, or a combination of the GST and NATVAT, and a surtax on income, whatever the finance minister finally does in a year, I am sure it will be the NATVAT. If it is not the Deputy Prime Minister will have to resign. She made a commitment during the election campaign to resign if the government did not scrap the GST. I am going to hold her to that. I will remind her of that as we get closer and closer to January 1, 1996 which according to the red book is the date by which it will have eliminated or scrapped the GST.

With a combination of solid revenues and reduction in government operations and expenses the result would be an impressive surplus to go toward debt retirement. Then we could lower taxes further if we wanted to. We could go to 10 per cent or 12 per cent. The Japanese currently have a single rate of 17 per cent.

This system would be simple, understandable, equitable and efficient. It would eliminate the need for convoluted tax bills like Bill C–59. The government would not have to tinker with all these social programs, the economic and business driven programs. It would supply programs to the Canadian public, determine the cost and raise the money to pay for them. It is done and they are not tax driven.

Tax reform of this magnitude cannot take place without a renewed commitment by the federal government to cut spending and balance the budget. There are two sides to this issue. As the song goes, you can't have one without the other. Thank goodness that at least now after a year of our harassing the Liberal government is listening to Reform and the finance minister is planning cuts of $9.5 billion over the next two years.

I am pleased we are making some progress. I am pleased our pressure is working because it is important. It is not important for us to make political gains. It is important for us in terms of being Canadian citizens that we are doing something in this House for the good of all Canadians.

Canadians have been unequivocal in expressing their opposition to further tax increases. Here is a solution that lowers taxes. We in the Reform Party have heard the message.

The bottom line for the Reform Party is that the next federal budget must not increase the total tax burden on Canadians. However I have a hunch the finance minister will be forced to find ways and means by tinkering around and probing, a little thing here, a little thing there and will increase the overall tax burden on Canadians.

The Reform Party does not object to the principle of eliminating inequities in the existing tax system. That is why we support 11 out of the 12 elements of this bill. It does level the playing field. It does make necessary modifications. With the exception of the elimination of the $100,000 capital gains, we would be in favour of the other items.

We believe the solution to our structural deficit problem must be found on the expenditure side rather than the revenue side. Elimination of the deficit in three years requires substantial measures. It is not the reduction of the deficit to 3 per cent of GDP, it is the elimination of the deficit that will help us out of this mess.

The Liberal government did a good study. It found that in Europe the Maastricht treaty recommended that those economies should target themselves to 3 per cent of GDP. What it did not tell the Canadian public I am going to tell them right now. In the economies in Europe the 3 per cent of GDP in the Maastricht treaty applies to all levels of government.

Here in Canada if the Liberal government's intention was to copy what is being done in Europe, then we would have to look at the size of the provincial debts. They add another $250 billion collectively. The reduction and the target for the deficit as a ratio to GDP should be 4.5 per cent.

• (1655)

That is why we say that 3 per cent is not enough and not fast enough. It is the elimination of the deficit that is important so that this wonderful country, this beautiful home we live in can finally have a mortgage. We could finally take that debt, equate it to a mortgage on a home and remortgage our home over a 30 year period. We could start to pay off the principle and not just borrow money to pay the interest.

Assuming a deficit of approximately $40 billion based on the finance department's total 1994–95 deficit forecast and revenue growth in the range of $14 billion to $18 billion based on the finance minister's grey book scenario, it becomes apparent that government expenditures must be reduced by $22 billion to $26 billion over a three year period.

Deficit cutting is an exercise in setting priorities. We have pointed these out. Many members in the Liberal Party laugh at us and mock us, but we are serious. I stand before the Liberal Party today in all seriousness and suggest that the people at the top of government must be the first to make significant and visible sacrifices before introducing cuts to government spending.

Many members of the Reform Party have done so and many members of this party will continue to do so. It is not to belittle nor to embarrass any member in this House. All members should be free to do what they want to do, but I am of the position that we are going to show leadership by example. If we expect the Canadian public to recognize that cuts are necessary, then we as politicians should be prepared to make sacrifices as well.

Duplication and overlap between federal and provincial governments must be reduced. That is why we have to decentralize and evaluate both levels of government. Based on these principles for instance if we applied this decentralization theory and eliminated the duplication of services, $3.5 billion to $6 billion could be saved, if the interprovincial barriers to trade were also addressed. These are serious numbers and they are worth considering.

The overhead costs of government could be reduced as a part of a comprehensive restraint program. A 15 per cent reduction would save $1 billion. At home if we had to reduce our budget by 8 per cent we could do it. That is all the Reform Party is suggesting, 8 per cent in one year. With the increased disposable income that this new proportional tax would present, more money would be in the taxpayers' hands. That money in the hands of the wage earners is more productive than in the hands of a politician or a bureaucrat.

The federal government should not subsidize business or special interest groups. There is a savings there of $2 billion.

Social policy review is important. After all the studies are done it will get back in this House and we will look at it seriously. This area is 67 per cent of the current federal budget. Over a three year period there have to be cuts in the neighbourhood of $12 billion to $18 billion or the Liberal government will not reach its deficit targets.

The advantage of deficit elimination includes lower taxes for Canadians which leaves them with more disposable income. That will continue to fuel the economy. We would be able to remortgage our debt over a 30 year period. We could introduce a new taxation system as outlined in the proportional tax or work with the Liberal government on a single tax system if we were forced to. One way or another, I believe that together we could come up with a tax system that would put us ahead and on the leading edge of economic development and growth. We would be ahead of rather than always following the United States.

In conclusion, Canadian taxpayers have already made it clear that they want politicians with the guts and the vision to lead the way with changes that will benefit them and their children, no matter how difficult those changes may be. We have the guts on this side of the House to recommend where we should cut excessive spending. We also have the guts to put forth some tax reform ideas.

It is a shame that government members are nothing more than Conservatives in red clothing. It is a shame they have only succeeded in adopting Conservative bills for a year. It is a shame that in one year they have spent $40 billion more than they have generated, just like the Tories. They host $1,000 a plate fundraising dinners for their Prime Minister, just like the Tories. They make patronage appointments, just like the Tories. In three years I predict that if the Liberal government does not listen to this party, the Liberal government will fall, just like the Tories.

• (1700)

[*Translation*]

The Acting Speaker (Mr. Kilger): 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 Jonquière—Native Peoples.

[*English*]

I have received notice from the hon. member for Glengarry—Prescott—Russell that he is unable to move his motion during private members' hour on Friday, December 2, 1994.

[*Translation*]

Since it was not possible to arrange an exchange of positions in the order of precedence pursuant to Standing Order 9(2)(*a*), I will ask the clerk to drop this order to the bottom of the order of precedence.

[*English*]

Pursuant to Standing Order 94(2)(b), private members' hour will thus be suspended and the House will continue with the business before it prior to private members' hour.

Mr. Boudria: Mr. Speaker, I cannot move that private members' ballot item tomorrow. It has something to do with Safe Driving Week, and I will leave it at that.

Pursuant to Standing Order 43(2), I wish to indicate that the Liberal members will be sharing their time for the rest of this day's debate.

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, I have listened to the Reform Party speak. I would like some clarification. The hon. member has talked a lot about support, that the Reform Party is collectively supporting a flat tax idea. I would like him to explain the rationale for that briefly if he could.

The Acting Speaker (Mr. Kilger): I want to remind the member that we have now gone from the first three interventions of 40–minute debate without questions or comments to a new stage. Resuming debate.

Mrs. Chamberlain: Mr. Speaker, I will be pleased to give my speech.

I am pleased to participate in this debate on Bill C–59, an act to amend the Income Tax Act and the income tax application rules. Last February the Minister of Finance told this House that he was restoring fiscal sanity to government.

That budget was about jobs for Canadians now and lasting jobs for their future. More important, that budget also offered Canadians for the first time in memory real deficit reduction and comprehensive changes to government programs.

Guelph—Wellington residents are concerned about their future. They know that in the past governments have overspent. They are also concerned that our current debtload includes increased borrowing from foreign lenders. They see their money being sent abroad and they would prefer that we concentrate on programs that will encourage domestic growth.

They know that the only way to show the world that Canada is committed to real deficit reduction is to prove our commitment to fiscal discipline. This bill is an example of this commitment and I am sure that all members of Parliament will want to support this government in these measures.

Guelph—Wellington residents voted Liberal because they know we promised to bring the deficit down to 3 per cent of GDP in three years. That is a real commitment we intend to make. They knew then and they know now that the Reform Party does not have the plan for deficit reduction. They know that the Reform Party has admitted that Reformers have no idea what impact their ideas for spending cuts will have on Canadians.

Guelph—Wellington residents want spending cuts and government action to be wise, made with their well–being in mind. They want a government that is serious about its commitment to Canadians.

Let me remind this House that our program of net spending reduction over the next three years is the most significant of any budget in a decade. Eighty per cent of the net fiscal improvements set out by our government will be from spending cuts.

These cuts as demanded from my constituents and constituents all across Canada will reduce the operating budgets of government departments by $400 million in the next fiscal year, with savings rising to $620 million annually in 1995, 1996 and beyond.

As well, the extension of the freeze in government salaries including those of members of Parliament will provide an additional saving of almost $1 billion annually by 1996–1997.

We have extended our ideas to include all facets of government. Grants and contributions made by government including foreign aid and grants to businesses have also been trimmed for savings of $253 million this year and $409 million in 1996–1997.

• (1705)

Changes to unemployment insurance will reduce expenditures by $725 million this year and $2.4 billion annually thereafter. We are reducing. There is no question. We are making changes to our social security system. These changes are necessary in order to respond to a different and more challenging society.

In an earlier speech in this House I outlined the support that my constituents have shown for changes to social security. They know that I as their member of Parliament and we as government are listening, but they also know we can no longer provide everything to everyone.

Social security changes like those announced to unemployment insurance will recognize our diverse society, our difficult economic situation and our commitment to ensuring that our children, and my children, have a future.

Our budget is about co–operation. We have launched various consultation initiatives asking Canadians what they want in our future. These consultations have been welcomed by my constituents. They also welcome co–operation with the provinces and local levels of government which study reforms and test new approaches. The challenge for deficit reduction and wiser spending is not only going to result from spending cuts but also from revenues.

My constituents have told me that taxes are too high and I agree with them. Lower deficits will mean lower taxes. People in Guelph—Wellington do not mind paying taxes as long as they are fair and as long as they know the money is well–spent.

Bill C–59 answers some of those concerns. Included in this legislation are changes to the corporate tax system that make it fairer and also allow it to better target the tax assistance made available to certain businesses. These include the reduction in the business income tax deduction and GST credit for meals and entertainment expenses; the elimination of certain tax preferences aimed at small businesses that are utilized by some large, private corporations; the elimination or reduction of certain regionally based investment tax credits that have not been cost effective in attracting new investment.

This legislation is about tax fairness and further broadening the tax base. For example, the full value of employer paid life

insurance premiums will now become taxable. This will remove the advantage that people with corporate plans enjoy over self–employed Canadians or those whose employers do not offer insurance benefits.

The $100,000 lifetime capital gains exemption will no longer be available for gain realized after budget night. The income tax credit provided to persons over the age of 65 will be income tested, affecting one out of every four seniors in Canada.

This legislation also modifies the provisions of the home buyer's plan, extending it indefinitely for first time home buyers, a move welcomed by real estate people in my area and all across Canada.

The 1994 budget and this legislation are only the beginning. These fiscal measures are but the beginning to our efforts to reach our goals. Action must be taken. Our response must be comprehensive and wide reaching.

Last year we spent $38 billion on interest payments, money my constituents believe could have been used for programs and services. My constituents have asked me to come to Ottawa and end the past excesses. Most are prepared to do without certain government services if it means we really make an effort to end that cycle of deficit and debt.

Our government is committed to action. We will meet our budget targets. There is no question. We have put an end to unrealistic projections. We are serious about meeting our commitments to the Canadian people. The measures included in Bill C–59 deserve speedy passage so we can move on to the next stage of our fiscal challenge. This legislation includes significant measures that will improve the fairness of our tax system while at the same time improving our fiscal situation.

• (1710)

These measures originated in last February's budget. This was a budget that took concrete committed action to bring government finances under control, action that is an essential step in Canada's economic revitalization.

My constituents heard the message in February. They accepted it during the last election. My constituents want a return to fiscal sanity. If we accept the challenge of fiscal management we will not only restore our faith in ourselves, but we will have made a real step in ensuring that our children will have faith in us because we have acted for them and for their future.

We cannot turn back, and this legislation today calls for our support.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I want to congratulate the hon. member for her fine statements today in support of this bill. I know that she is very concerned about social justice within our country, to ensure that we are taking care of those in most need and certainly the children.

We listened to the words of the member for Calgary Centre who somehow decided he was going to outline for Canadians a simple one page tax return that you fold over and just send in, that this somehow is going to make the world a panacea and that we can reduce taxes all of a sudden by having a smaller form. I know that the hon. member who just spoke shares my view that having a shorter form is certainly one thing and lowering a tax rate is another.

She probably also would agree that the income taxes, for instance, for an ordinary member of Parliament under the Reform Party proposal would be reduced by about 13 per cent. Of course, that 13 per cent, if we assume that the total amount of revenue still has to be collected, would have to be collected from somebody else which means that under the plan it would certainly be unfair to lower income Canadians.

I want simply to ask the member if she feels that the finance minister has brought in appropriate changes and that more changes would be required, particularly in the areas of child tax credits or child care expense deductions which would maybe assist even further those most in need in our society.

Mrs. Chamberlain: Mr. Speaker, I wish to thank my hon. colleague from Mississauga South. There is no silver bullet to the mess that we are in, quite frankly. That is the reality. I think it is going to take numerous methods and types of procedures to decrease this deficit. I think that we all have to be committed in this House, every party in this House. It is going to be necessary that we put our energies together to bring some sort of financial stability to this country again.

Some of the methods that my colleague from Mississauga South has talked about are certainly going to be some of the options that the finance minister is going to explore.

As the finance minister has spoken about many times, we are going to hit our budget targets and that is going to make things a lot better in this country.

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, I welcome the opportunity to support Bill C–59 today. Action that increases the fairness of Canada's tax system, as this legislation does in a wide range of areas, deserves non–partisan support from all members of the House. I am surprised there is any debate on this bill at all.

The specific measures in this legislation have already been amply highlighted but I think it would be worthwhile to remind members of the context which set out this legislation, the February budget.

I believe it is fair to say that our 1994 budget set in motion the most comprehensive, fundamental change in decades. It is change that focused on three central goals, goals that directly answer the concerns and priorities expressed by Canadians during last winter's first ever series of consultation conferences. Canadians wanted to see action to restore our country's economic vitality and to create the jobs so many people desperately need. The budget took that action through funding for the

infrastructure program, a commitment to rolling back unemployment insurance premiums and through new strategies to promote small business and technological innovation, the sinews of the new economy.

• (1715)

It is worth pointing out that the Canadian job situation has seen a substantial improvement. So far this year, about 307,000 new jobs have been created. Just as important, those are full time jobs.

Second, in last year's consultations Canadians also told us they wanted reform of the social security system to ensure it is fair, compassionate and affordable, a reform that delivers incentives for work and creates jobs and opportunities. That reform has been launched by the Minister of Human Resources Development. The budget highlighted important steps in meeting this challenge. The link between the length of time a person works and UI benefits was strengthened. Assistance was enhanced for those with dependents. These and other actions growing from the sweeping policy review process now taking place should reduce the cost of the program further and allow premiums to come down.

The 1994 budget consultations delivered the third blunt message: get government finances under control and make government more effective, cost conscious and less of a burden that undercuts job creation and entrepreneurship.

The government has consistently made clear that these are obligations we must accept, not options. That is why the Prime Minister and Minister of Finance have staked out a concrete commitment to reduce the deficit to just 3 per cent of gross domestic product in three years. They have made clear that this is just a first step toward the ultimate goal: a balanced budget.

To support this goal the 1994 budget took fiscal action to bring the deficit under $39.7 billion this year. Just as important, the action plan was based on $5 of cuts in spending for every $1 of action on the revenue side. It is aspects of this revenue side action that are included in Bill C–59. Measures such as the elimination of the $100,000 lifetime capital gains exemption and the reduction of the meals and entertainment expense deduction for business will help the government's bottom line.

These actions do not respond to fiscal pressures alone. They are also based on improving the tax system and ensuring that all Canadian taxpayers are treated equally and equitably. To me that makes such measures an example of win, win action at its best.

Let me return to the overall fiscal challenge of the budget and our commitment to bring the deficit down to 3 per cent of the economy. I know that some hon. members feel this is too little, too slow. But I and the government continue to share the view of many Canadians, that too drastic action could risk the economic progress needed to sustain consistent fiscal improvement.

One issue that I believe most members here can agree on is that reducing the fiscal burden of government is not enough. We must give better value for the taxpayers' dollars. That includes eliminating unnecessary or cumbersome barriers to business. The 1994 budget highlighted action here as well, including our continuing commitment to replace the GST and an intensified effort to eliminate program overlap and duplication between levels of government.

As members can see the 1994 budget undertook vitally necessary measures of which Bill C–59 represents merely a few. This wide ranging action plan is still not enough. That is why we emphasized that the 1994 budget was just the first important step in a two stage process.

Canadians have made clear that further, more fundamental change is needed in virtually every area of government activity if our country is to face the future with renewed confidence. They have told us that they must consulted on these changes. That is why the budget highlighted an extensive process of policy review and consultation to improve a wide range of policies and programs. The House has seen this process at work in the papers and reports such as those dealing with social assistance reform and financing for small business.

Based on the continuing process of policy reviews and consultations, future budgets will carry forward further detailed strategies to encourage growth and new jobs. These will also be strategies that will help ensure continuing progress on deficit reduction.

Let me remind all Canadians that this two stage approach is not a case of deferring action and evading responsibility and leadership. Rather it reflects the dimension of the challenge facing us all. As the finance minister has said, for Canada to recover and grow we must regain a sense of national purpose, a sense of national will. What we require now is the kind of effort that we have agreed to expend only a few times in our history.

• (1720)

To achieve this effort we must accept a fundamental fact of Canadian life. Without reasonable consensus and real consultation, dramatic change can become a disastrous failure. We do not intend to fail because Canadians deserve success.

It is timely to highlight another aspect of our commitment to consultation and more effective government. This is the change we have made in the budget planning process itself. In the time available before last February's budget we undertook public consultations across the country, through conferences organized by independent institutes. The Minister of Finance issued a report on this process, openly addressing the advice we re-

ceived, how the budget has responded, and why we did not accept some suggestions.

This was just the start of a deeper process of reform to bring budget planning from behind closed doors and to enlist the insight and wisdom of Canadians, including parliamentarians. As was promised in February the government has acted to further expand the consultation process for the 1995 budget. This has included the cross–country hearings by the finance committee, ongoing town hall sessions by the finance minister and other members, and the debate on budget options that occupied the House yesterday.

To support this process of public consultation, to ensure that interested Canadians are fully informed of the fiscal challenges we face, the government has arranged for a range of materials to be made available. This includes the workbook prepared by the Canadian Foundation for Economic Education which has been acclaimed for its ability to make the fiscal facts accessible and engaging.

Bill C–59 is just one part of the 1994 budget that delivered real action while setting in place the policy reviews and consensus building that will deliver further action in the years ahead. It was a budget that took steps to spur job creation while recognizing the need for real fiscal discipline and improvement. It is a budget that refused to abandon the values of compassion and support for those in real need in Canada.

Politics has been described as the art of the possible but Canadians want more than possibilities. They want to see a government committed to doing all it can through concrete, measurable action to help build a future of real opportunity and real growth.

That is the challenge the government has accepted. That is the goal the budget acted on, through the measures before us today. That is the vision we will continue to build on in the next budget and those the government will deliver in the many years ahead.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I really enjoyed the reference to balancing the budget, being fiscally responsible and making sure that expenses are under control. Those are the absolutely right things that one should be saying. We have been saying them over here.

I failed to discover in the remarks made just a moment ago exactly how this would be done by actually making a promise to people that says we would reduce the deficit to 3 per cent of GDP. This really does not ever get to the point of reducing the deficit to zero.

We need a particular sort of plan. In my opinion it is not good enough to say that it will be reduced to 3 per cent of GDP. That means a deficit in perpetuity. Or is there something I missed in the speech that shows us clearly that there will be a reduction of the deficit to zero at some time?

Ms. Whelan: Mr. Speaker, the hon. member may want to take a look at the red book and the government's commitment. We stated very clearly that our goal was to reduce the deficit to 3 per cent of GDP in the first three years. Our ultimate goal is and always will be a balanced budget. If we can achieve it sooner, we will. The finance minister will set out a new fiscal plan in the next budget. I anticipate that Canadians will review this plan and be very pleased.

• (1725)

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I want to thank the member for her excellent presentation.

I wonder if she could make a comment in the area of accountability. Members of the Reform Party have been speaking about this quite aggressively. They presented one of their proposals to the finance committee last Friday.

I took the time to add the figures up. There are five sections in their program. The bottom line when we add up their $10 billion reduction program is it adds up to $9.035 billion. It is short $1 billion. It is a $10 billion program for deficit reduction by the Reform Party that is already short $1 billion.

I wonder if the hon. member would comment on a party that would propose that sort of accountability.

Ms. Whelan: Mr. Speaker, Reform members have said over and over again that we should be reducing the deficit to zero tomorrow. They made a proposal to reduce it by $10 billion and the figures did not even add up to $10 billion.

Canadians need to take a second look at what the Reform Party has been talking about before, during and since the election. They should also take a more serious look at what the government has been talking about, what the Prime Minister, the finance minister, and what all the government members have been talking about.

We are serious about meeting our commitment. We are serious about going beyond that commitment. We are serious about reaching a balanced budget in the future.

Mr. Boudria: Mr. Speaker, given the closeness of 5.30 p.m., I wonder if the House would consider calling it 5.30 so this debate would not expire and we could resume it tomorrow. If there is unanimous consent to call it 5.30, perhaps we could proceed now to private members' hour.

The Acting Speaker (Mr. Kilger): The House has heard the suggestion of the chief government whip. Is there unanimous consent that I see the clock as being 5.30 p.m.?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): 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*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

The House resumed from October 7 consideration of the motion that Bill C–240, an act to amend the Corrections and Conditional Release Act and the Criminal Code, be read the second time and referred to a committee.

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, the hon. member from the Reform Party has made a proposal concerning the safety of the Canadian public.

We as the legislative body of this great nation must take a lead role in ensuring that our citizens live in safe communities. That responsibility extends even with greater seriousness to those who are simultaneously most vulnerable and most vital, those who carry our future in their hands, our children.

Let me take a moment to tell of some of the things we in Parliament have done to date to try to give both immediate and long term protection to our citizens from people who have shown little regard for the welfare of others.

In Canada's early history, clemency was unconditional and only granted through the royal prerogative. In 1899 Parliament passed the ticket of leave act which established conditional release and a system of supervised freedom. The Governor General could grant conditional release to anyone as a method to bridge the gap between the controls and restraints of institutional life and the freedoms and responsibilities of community life, as one historian has noted. The Department of Justice provided supervision and eventually established the remission branch in 1913.

In 1938 the Archambault commission recommended that rehabilitation become the purpose of incarceration. The Fauteux report recommended the creation of the National Parole Board which came into existence with the passage of the Parole Act in 1959.

It is important to note that in 1969, 31 years after the Archambault report, the Ouimet report reaffirmed that rehabilitation was the major purpose of conditional release. More recent developments suggest that the protection of the public is the primary goal of conditional release.

In 1978 Parliament amended the Penitentiary Act to permit offenders to earn time off for good behaviour. Good conduct in a penitentiary, it was hoped, was some indication that an offender had changed the type of behaviour that led to incarceration in the first place. In 1978 this period of remission when offenders were in the community was called mandatory supervision.

By 1981, the Law Reform Commission expressed concern about the small group of offenders who constituted an imminent danger to public safety but had to be released under the provisions of that law.

In 1982 the National Parole Board began suspending the release of a small number of offenders who it believed presented a danger to public safety.

The Supreme Court of Canada struck down this practice in 1983, saying that the board could only suspend in reaction to an offender's behaviour on release, not in anticipation of problematic behaviour.

In 1986 Bill C–67 amended the Parole Act to permit the National Parole Board, after a referral from Correctional Service Canada, to detain in custody until the end of their sentence those offenders it deemed likely to commit an offence causing serious harm before the expiration of their sentence. The legislation introduced a schedule of offences which were considered to have caused serious harm and required CSC to review the cases of all offenders convicted of one of these scheduled offences to determine whether they should be referred to the board for a detention hearing.

On November 1, 1992 the Corrections and Conditional Release Act replaced both the Parole Act and the Penitentiary Act. This new act, known as the CCRA, eliminated the previous system of earned remission and provided that statutory release take effect at the two–thirds point of the sentence for offenders who had not been granted parole earlier. In addition, it included and amended the provisions for detention that had been added to the Parole Act through Bill C–67.

The CCRA expanded the schedule of offences to include a greater number of specific sexual offences. As well, the CCRA calls for notifying victims upon their request of when detention and other hearings are to take place and permits them to observe such hearings.

Other measures in the CCRA include requiring an annual review of offenders ordered to either remain in prison or to reside in community facilities and one chance provision for statutory release which means that certain offenders felt to represent a certain level of risk but probably manageable in a residential facility are given this one chance to prove themselves.

Any breach of condition or increase in risk requires that they return to prison until the end of the sentence with no further opportunities to complete the sentence in the community.

These steps have all been designed to give immediate, short term protection to society by removing dangerous offenders from the streets and, more important, to give long term protection by effecting change in the behaviour of offenders so that they will never commit another crime. The bottom line, however, remains the same. We must do more to protect our children.

We said in the red book that we share Canadians' concerns that more must be done to better protect society from repeat sex offenders. These measures are part of ongoing reforms to improve our handling and management of these offenders in federal correctional systems, especially those who victimize our children.

We are all outraged by crimes perpetrated against our children. We are angry and we demand measures that will protect them.

• (1735)

At present, the CCRA permits the National Parole Board to detain sex offenders and certain other high risk offenders until the end of their sentence if they cause serious harm and if they are likely to commit an offence causing death or serious harm if released.

What about when the victim is a child, a person who cannot articulate the problem or even realize that there is a problem until many years later? We now know that when the victim is a child, the serious harm caused by a particular offence may not become evident for a number of years.

In addition, the victim may be too young to communicate adequately the trauma inflicted by the offence. We must protect and support our vulnerable children. It has been difficult for the National Parole Board and CSC to determine that a child was seriously harmed using the legal meaning of the term serious harm.

Without this determination, the National Parole Board could not legally detain the offender until the end of the sentence. The Solicitor General has already introduced amendments that make it easier for the National Parole Board to keep sex offenders who victimize children in a penitentiary until the end of their sentence.

This amendment removes the requirement to establish serious harm as a criterion for detention in these cases. This gives the board the authority to detain a sex offender if a further sex offence against a child is likely. I would like to add that the government has proposed to expand the list of offences for which an offender could be referred for detention until the end of the sentence.

This list includes criminal harassment, commonly known as stalking, conspiracy to commit serious drug offences and serious drinking and driving and criminal negligence offences which result in bodily harm or death.

These behaviours also put our citizens at risk, including our children. We all have a responsibility to protect our most vulnerable citizens, our children, from predators like paedophiles.

The National Parole Board must now detain offenders who it feels may cause death or serious harm before the end of their sentence. With the proposed amendments, if the victims are children, the board will not have to determine serious harm. It is assumed. This means that whenever the board finds that an offender might reoffend against a child, it must detain that offender.

The hon. member from the Reform Party oversteps the bounds of the Charter of Rights and Freedoms. No administrative tribunal such as the National Parole Board would be granted such broad powers of post–sentence detention without due process nor would the courts countenance this.

No government would put into place a system it knows would be struck down by the courts, a system that is presently being proposed by the hon. member from the Reform Party who is promoting this private members' bill.

This government is certainly committed to strengthening Canada's criminal justice system to protect the public and most especially our children from dangerous offenders. Our government has acted in an increasing number of ways to bring about public safety, whether it be revisions to the Young Offenders' Act, whether it be much tougher action against criminals who utilize guns during the commission of a criminal offence and other progressive change which will greater ensure the protection of all our citizens.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, after the news we just heard about Mr. Bouchard's illness, I can assure you that I will do my duty as I am expected to do as a member of Parliament.

Bill C–240 is a prime example of a philosophy that is both reactionary and repressive. The Reform Party is pulling out all the stops to give the impression that this is a crisis and they are the only ones who can save us. The bill introduced by the hon. member does not provide any realistic or practical answers to the problem of repeat offenders.

• (1740)

In fact, it favours a drastic and simplistic response to a complex problem. The bill consists of two parts. The first part concerns the conditions to be met for conditional release, in the case of an offender convicted of sexual assault involving a child. Under the new conditions it would be easier to continue the detention of such offenders by denying them a conditional release.

They would have to serve their full sentence. The second part of the bill concerns new regulations that would permit danger-

ous offender findings to be made after sentencing. The concept already exists in the Criminal Code. At the present time, the dangerous offender finding can be made at the time of sentencing. In the bill before the House today, this finding could also be made just before the end of the sentence.

Once a dangerous offender finding has been made, the offender's prison sentence may be extended for an indeterminate period, irrespective of the original sentence. I will first consider that part of the bill that concerns individuals convicted of sexual offences involving young victims. These are among the most repugnant crimes we can imagine. As I have said before, society must protect itself against this kind of individual.

Bill C–240 has the advantage of preventing the premature release of these offenders. However, similar provisions already exist in Bill C–45, whose purpose is to amend the Corrections and Conditional Release Act. In fact, Bill C–45 provides that in the case of a sexual offence involving a child, the National Parole Board would not have to establish the existence or probability of serious harm.

The Board must be satisfied that an offender is likely to commit a sexual offence involving a child before the expiration of his sentence. These provisions may be found in section 43(1) of the bill to amend the Corrections and Conditional Release Act. Bill C–45 has been referred to the Standing Committee on Justice and Legal Affairs where it is now under consideration. Since the amendment proposed by the hon. member is in all respects identical to the amendment from the Department of Justice, I think it would be premature to comment at this stage.

The second part of the bill presented by my colleague deals with finding an offender to be a dangerous offender. Clause 26 introduces an important amendment to the Criminal Code, which would make it possible to detain in a penitentiary for an indeterminate period an offender found to be dangerous. It would be post–sentencing detention since this penalty would be imposed after sentencing.

By presenting a bill of this kind, the Reform Party member shows to what extent repression and vengeance underly that party's policies with respect to criminal law. Looking at this bill, I have the feeling that Reform members have never heard of the principles of fundamental justice, procedural fairness, and presumption of innocence. These are the principles which make our society free and democratic.

To undermine these principles puts our society at risk. As members of this House, we must be on guard and defeat rightist proposals, which are taken up by a press eager to make us believe that we are still in the midst of a crisis. Before commenting further on this, let us first look at what constitutes a dangerous offender.

Section 753 of the Criminal Code allows the court to find to be a dangerous offender an individual convicted of a serious personal injury or sexual offence. These offences are listed in section 752 of the Criminal Code. Once the accused is found guilty of any one of the offences listed in section 752, the court hears the evidence presented by the Crown and hands down its decision based on the following factors, as listed in section 753:

A pattern of repetitive behaviour showing that the offender is failing to restrain his behaviour; the offender is showing a substantial degree of indifference respecting the consequences of his behaviour; the behaviour associated with the offence is of such a brutal nature that it is unlikely to be inhibited by normal standards of restriction of freedom.

• (1745)

The decision of the court is given after the offender has been convicted, but before sentencing. The court finds the offender to be dangerous and, instead of imposing a regular sentence, imposes a sentence of indeterminate imprisonment. This is the harshest sentence that can be imposed by a court, since the offender is not eligible for mandatory parole.

The case of the person is reviewed three years after the conviction and every two years thereafter. In practice, these are pro–forma reviews, since officers of the National Parole Board never hesitate, except in a few rare cases, to recommend the continuing of the sentence.

In her bill, my colleague proposes that the whole judicial process be repeated just before the end of the sentence of a given offender. Bill C–240 proposes nothing short of a new trial, with new evidence and a new sentence. Let us remember that this new procedure would not apply to a crime already committed, but to a crime that might be committed.

In fact, it would amount to convicting again someone who has already served his sentence. May I remind this House that the Canadian Charter of Rights and Freedoms protects individuals against double convictions. Section 11(h) says, and I quote: "Any person charged with an offence has the right— if finally acquitted of the offence, not to be tried for it again and, if finally found guilty and punished for the offence, not to be tried or punished for it again".

As we can see, this bill would not withstand a constitutional challenge. It also seems incompatible with the principle of basic justice to go after an individual by reopening the investigation and introducing new evidence on which the initial verdict could not be based.

Another issue raised by this bill is that of relevance. The hon. member herself admitted in this House that her bill only affects

a very small number of inmates. The problem of repeat offenders is much broader and requires more comprehensive solutions than those proposed by my colleague.

She even wildly exaggerated an isolated case, arguing that her bill would solve that kind of problem. The truth is that Bill C–240 suggests only partial solutions and affects only dangerous offenders representing 0.5 per cent of all Canadian inmates now in federal correctional institutions.

If we look at the statistics a little more closely, we will see that, as of December 17, 1992, there were 121 offenders designated as dangerous in Canada. Interesting enough, none of them were in Quebec, the vast majority of them being found in Ontario and the Western provinces. Between 1985 and 1992, the number of dangerous offenders on parole was limited to one per year, a number which has always remained constant.

There are no facts which justify such drastic action. The reactionary measures proposed by my colleague are also superfluous, as the courts already have tools to identify as dangerous any offender before them. Judicious enforcement of the Criminal Code could solve many problems.

It is not enough to respond to public opinion as conveyed by tabloids trying to boost sales and it is not enough to go after a very small number of individuals. From now on, the Liberal government must decide, in co–operation with the provinces, on a global approach to identify repeat offenders and ensure that society is better protected.

[*English*]

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, it gives me great pleasure to rise in the House today to speak to Bill C–240, an act to amend the Corrections and Conditional Release Act in the Criminal Code.

I would like to thank the member for Surrey—White Rock—South Langley for introducing this much needed legislation. The member is my southern neighbour and we share the same community of Surrey, a growing vibrant community but also a community which has experienced many tragedies over the past few years. The number of murders in Surrey and the surrounding area is astonishing.

• (1750)

It is also completely unacceptable, most of all to the people of Surrey. A day does not go by without someone from the community contacting me or my staff about problems with our justice system in such areas as lack of deterrence, repeated offenders, parole, young offenders, criminal intoxication defence, and so on.

It is these concerns that we in this Chamber must respond to. Canadians across this nation will no longer accept a slap on the wrist justice system or a system which holds the rights of criminals above the rights of victims.

Canadians from all walks of life are demanding action from Parliament, not tomorrow or not next week, but now.

My colleague has responded to that demand by introducing this legislation aimed at preventing violent offenders from perpetuating further violent crimes upon our community and the country.

This bill is the result of the concern that many Canadians have with regard to repeat offenders repeating violent offences, particularly sex offences. This bill would amend the Corrections and Conditional Release Act to permit offenders convicted of certain serious offences to be denied statutory release if they are likely to commit sexual offences involving children.

This amendment would change the current legislation basically by removing the serious harm aspect. Under this bill it would only have to be established that a sexual offence was committed by the offender and that further sexual offences against a child are likely upon release. This bill would also amend the Criminal Code to permit dangerous offender findings to be made after sentencing but near the conclusion of the offender's sentence.

The reason for permitting dangerous offender findings to be made after sentencing and near the conclusion of the sentence is that the court would have evidence as to how the offender responded to the treatment and the degree of his or her progress while in custody. This corrects a flaw in the present system where dangerous offender findings must be made at the time of sentencing. Only those who are still considered dangerous near the end of their original sentences, as opposed to the beginning of their sentences, would be detained.

How one will behave after a course of treatment and educational sessions cannot be judged before they participate in the sessions. Prejudging in this manner is not a motivating factor for any individual to make an effort to change their behaviour while they are in these courses of treatment.

The process that this bill proposes for identifying and detaining offenders is as follows. The correctional service act of Canada would identify those who are likely to commit offences causing death or serious harm if they were released at the end of their sentence. These offenders would then be referred to the National Parole Board. If the parole board agreed that this person were likely to commit such an offence, the board would then refer the person to the appropriate Attorney General. The Attorney General would then consider asking the court to find that the offender is still a dangerous offender.

If the court accepts the application it could make an order for continued detention. The results of this process continued custody for an indefinite period of time, continued custody for a

definite period of time, or supervised release in the community for a period of 10 years.

This is fair and reasonable and serves two essential purposes. It allows dangerous offenders to be kept out of the community, and it ensures that the state or justice system does not detain persons at its whim without good reason and due process.

When this bill was debated in the House on June 10 of this year some members were concerned that this bill would be contrary to certain sections of the Canadian Charter of Rights and Freedoms. Specifically the resentencing provisions of this bill were thought to contradict section 11(h) of the charter:

> If finally acquitted of an offence, not to be tried for it again and, if finally found guilty and punished for an offence, not to be tried or punished for it again;

• (1755)

The judiciary is the final arbitrator with regard to the Charter of Rights and Freedoms. However, this bill does not contradict section 11(h). This section guards against being found guilty or punished for an offence for which one has served the full sentence.

Bill C–240 amends the serious harm definition of the dangerous offender's designation. This means that those who are designated a possible dangerous offender by the process outlined earlier are done so on the basis of their past history, their treatment and progress which incarcerated and the likelihood of their offending again. This does not equate with resentencing a person for the same offence.

Also this legislation is almost identical to the current dangerous offenders legislation which was found to be constitutional.

In October of this year the community of Surrey experienced another tragedy when Pamela Cameron was murdered. It appears that the chief suspect in this case could have been detained had post sentencing detention legislation such as my colleague is proposing been in effect. This is something which all members of this House should carefully consider.

What we do in this Chamber with this proposed legislation shows how serious we are in combating violent crime in our nation and in providing for the offenders positive rehabilitation programs that are not cut short of their effectiveness by a date on the calendar.

I urge all members of this House of all political parties to respond to the nationwide concerns over the justice system and support these reasoned amendments to our existing system.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I would like to thank my colleague from Surrey—White Rock—South Langley for providing me with this opportunity to speak on her private members' bill C–240. I strongly believe in the merits of the proposed legislation and what it endeavours to address. I encourage all my colleagues on both sides of the House to support it.

There are two essential components to the proposed legislation before us today. The first deals with the application for dangerous offenders designation. The second part would eliminate the requirement of the crown to prove than an offender is likely to commit serious harm, especially as it relates to assaults of children. It is this second component on which my remarks will focus this afternoon.

Childhood is supposed to be a time of innocence, of exploring, learning and growing. For far too many kids, however, their childhood has become an unending nightmare created by those repugnant sexual predators who prey on children. It is a sad commentary on today's society that more and more frequently we read in our newspapers about cases of sexual abuse or assault where innocent children have been the victims, in some cases ending with the death of a child.

Imagine the terror in those instances where the abuse continues for years, where the child is terrified into silence by threats against themselves or their parents and family. This is a common tactic used by these monsters to control their victims. Not one of us in this Chamber can forget the atrocities of Clifford Olson. The very fact that man still breathes today is an affront to the memory of his victims, defenceless, innocent children.

This bill addresses these problems. Bill C–240 provides for indefinite incarceration of dangerous offenders who prey on our young society.

Whose rights are more significant here, the rights of a convicted sexual predator or the rights of a child? Who among us wants to condemn any child to the danger posed by these offenders? Do they pose a threat? That is the question we should ask. Cases upon cases show that upon release these predators are likely to reoffend. Research shows a very poor rate of rehabilitation in these cases. The very least we can do is make provisions for the courts and the judicial authorities to protect our children from those who are likely to turn another child's life into a nightmare, or even murder a child.

• (1800)

Law–abiding Canadians, and maybe that is too legalistic, or ordinary Canadians like you and me and the people who live on our main streets in our communities are absolutely fed up with hearing about offenders' rights. What about the rights of the little child? How can the House even consider any measure that puts the perpetrators' rights above those of innocent victims? If these offenders pose a risk of any sort to the public, to little children, for goodness' sake let us keep them in jail. Some would say let us keep them in jail until they rot.

Canadians will no longer tolerate the lenient Liberal justice system of the past 20 years. They are struck with disbelief of the travesties of justice about which they have read in their daily newspapers of repeat offenders who are released on parole or on work release into unsuspecting communities.

The rage that is felt by the public at these crimes demands that we in this place, their representatives, take action and take action now. The public no longer has the patience to deal with MPs who will not respect their constituents' wishes. If the members opposite have any doubt in their minds about that, they had better consult with their constituents.

This fall 16–year old Pamela Cameron of Surrey, B.C., was raped and murdered. The man charged with the murder, James Owen, is in the words of the director of the Canadian Police Association "a walking advertisement" for the dangerous offender legislation before us today. He has a record of 28 prior criminal convictions, including rape, and refused all sexual behaviour and substance abuse treatment programs that were offered to him in prison. The authorities should be able to look at this case and keep offenders like Owen in prison beyond their sentence. Perhaps, just perhaps, maybe Pamela Cameron would be alive today.

I have held a number of townhall meetings in my constituency. My constituents have voiced their concerns and outrage at this crime and many others. They have called on hon. members in this place to act.

Perhaps little eight–year old Mindy Tran of Kelowna would be alive today if the provisions before us had been enacted.

Today in my riding alone there are some eight cases of sexual assault before the courts involving children: eight lives damaged, eight kids forced to go through the hell of abuse. Recently a school principal was convicted of molesting his 15–year old foster child. There have also been two recent cases where fathers were convicted of sexually abusing their children. There is another case before the courts where a neighbour sexually assaulted a little girl for two years before it came to light, and this suspect, a known sexual offender, had been released.

Even the B.C. attorney general has recognized the need for more severe sentences in these cases and, as my local newspaper, the Penticton *Herald*, reported in an editorial: "Respect for the individual rights should not take precedence over public safety".

These crimes involving children tear into the heart of the communities where they occur. Every parent must shudder in horror at the atrocities committed on these poor children.

What of these young victims? Currently the onus is on the system to prove that an offender is likely to commit serious harm in cases that involve sexual assault on children. The actual harm to the child may not be evident for several years or even decades. It is difficult for adults, let alone children, to adequately communicate the effects of a sexual crime on them. It is our responsibility as a society and as members of this place to protect children from these vile, sexual predators.

• (1805)

Parents in communities across the land raise a hue and cry when such criminals are released into their communities. Why? It is because experience shows that there is a very good chance they will offend again, and this time the victim could be their own child.

Parents want to protect their children. Short of imprisoning kids at home they cannot because the judicial system does not give them a chance to do so. Even courts have ruled that convicted child molesters have the right to hang around schoolyards and playgrounds. They have that right. That is absurd. If the benighted charter of rights is causing this insanity then it had better be amended.

Many of my hon. colleagues in this place are parents or grandparents. This tragedy has to strike in their own homes before the House hears their cries of outrage. Can we as people stand by and see even one more defenceless child brutalized or murdered by a sexual predator? I think not.

I call on all members of the House to unite on Bill C–240 and protect our children. We have a chance to make a difference. Let us not throw it away. Canadian kids are counting on us.

In closing, I would like to remind everyone how this day started and each day starts in the House when the Speaker says these words: "Grant us the wisdom, knowledge and understanding to preserve the blessings of this country for the benefit of all and to make good laws and wise decisions".

Bill C–240 is a good law and I pray all members make the wise decision and vote yes to Bill C–240.

The Acting Speaker (Mr. Kilger): I know the hon. whip of the Reform Party is very vigilant. I will try to be equal to the task.

Seeing no members rising for debate, I have received notice from the the member for Surrey—White Rock—South Langley who moved Bill C–240. Under right of reply she will have two minutes to conclude the debate. Members must understand that no one else can rise and that this will in fact conclude the debate.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): I thank you, Mr. Speaker, for allowing me to close debate on Bill C–240.

I have appreciated the level of debate the bill has received in the House. It has been interesting to see that members of the Bloc have continued to debate against any changes of this nature. They find them draconian. I suggest that they are not listening to their constituents. A poll was taken by Léger et Léger which indicated that 76 per cent of the people in the province of Quebec support this type of legislation. It is nice to

know that although Bloc members do not support it the people of Quebec support it.

I have heard the argument on the opposite side that Bill C–240 may not withstand a court challenge. While there are countless pieces of legislation that may not withstand such a challenge, I believe that as parliamentarians we cannot abrogate our responsibility as lawmakers because of the possibility of a court challenge. I certainly hope that feeling is shared by all my colleagues here. We cannot afford to shy away from legislation solely because of a court challenge.

When I first introduced the legislation I did not think that it would hit home quite so quickly. However, on October 4, as my hon. colleague mentioned, a 16–year old girl was pulled off one of the busiest streets in my community in the middle of the afternoon and murdered. This legislation may have prevented her death.

• (1810)

If this bill is not passed it is inevitable that in the future there will be more such deaths. This bill will not put an end to all murders but if it prevents even one, it would succeed.

I ask all members of this House to please be concerned about the lives of our children, the lives of the victims and support Bill C–240.

(Motion agreed to, bill read the second time and referred to a committee.)

The Acting Speaker (Mr. Kilger): For proper verification, is there unanimous consent to proceed to the proceedings on the adjournment motion?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

NATIVE PEOPLES

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I put a question to the minister of Indian affairs concerning the pitiful state of public health in aboriginal communities on reserves. According to Statistics Canada, the tuberculosis rate among status Indians is 43 times higher than for Canadians born in Canada.

This rate is comparable to those found in the third world, whether we are talking about Africa or Asia, in countries that do not enjoy the benefits of the kind of economy we have in this country. The Minister of Indian Affairs and Northern Development let the Parliamentary Secretary to the Minister of Health reply on his behalf. The parliamentary secretary mentioned the amounts now being spent by her department to improve the health of aboriginal communities.

She mentioned one million dollars this year and several million dollars over the next couple of years. I think this is not a satisfactory answer, considering that such a high tuberculosis infection rate, according to many experts, is an indication of sub–standard housing conditions. I think it would have been appropriate for the minister of Indian affairs to answer the question, since he has a fiduciary responsibility for aboriginal communities, for aboriginal reserves in this country.

Moreover, the minister could have mentioned that two years ago, the aboriginal affairs committee had examined the state of aboriginal housing and that the title of its report was *Time to Act*. In its report, the committee found there was a backlog in housing construction on reserves, and it also pointed out that there was a lack of funding to renovate existing units.

Furthermore, in recommendation No. 7, the members of the committee asked the government to deal immediately with the health and safety problems arising from the condition of aboriginal housing.

Finally, it is essential that the minister of Indian affairs, until such time as appropriate and much needed action is taken, make it clear to his colleagues at Health, Public Works and Finance that budgetary cutbacks are not to be used as an excuse for allowing these appalling conditions in aboriginal communities in Canada to continue, shaming us in the eyes of the rest of the world.

I would like to know whether the government really intends to do something about this.

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, when we look at the frequency and the situation of the disease, we must consider not only where we are but also where we have come from and where our strategy to reduce the frequency of this disease should take us.

[*English*]

In the 1930s we were faced with death rates, not incidence rates but death rates, of 700 per 100,000 population among Canadian Indians.

An extensive program to discover and treat active cases of TB was begun in 1938. In the late 1940s the necessary funding and expertise were provided, new sanitoria and nursing stations were built and aggressive case finding, extensive vaccination and new treatment regimes were begun.

These early efforts bore fruit and today the mortality rate is almost negligible while the incidence of TB has been dramatically reduced. In 1992 the rate was 60 per 100,000 population using official population figures for the First Nations communities.

The reason we were allocating additional funds to implement a national strategy for the elimination of aboriginal tuberculosis was because the decrease in rates had stalled. There remains a number of active TB cases in older people who continue to harbour tuberculosis and who become infectious as they get older and suffer from other diseases and debilitating conditions.

The government has been spending $1 million per year to address this problem and has allocated an additional $2.8 million over the next three years.

While the spread of TB to other people is facilitated by overcrowding and other personal and environmental conditions, the main way to eliminate the disease from the population is to find active cases at an early stage and treat them before the bacterium is spread to contacts, particularly young children who are especially susceptible.

The strategy which this department in partnership with First Nations communities is putting in place aims to reduce the incidence of TB to less than 20 per 100,000 by the year 2000 and to eliminate the disease by the year 2010.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.18 p.m.)

HOUSE OF COMMONS

Friday, December 2, 1994

The House met at 10 a.m.

Prayers

The Speaker: My dear colleagues, this is a very sad day for us here in this House. One of our own is ill. I hope that our colleague, Lucien Bouchard, will be in your prayers today.

GOVERNMENT ORDERS

[*Translation*]

INCOME TAX ACT

The House resumed from December 1 consideration of the motion that Bill C–59, an act to amend the Income Tax Act and the income tax application rules, be read the second time and referred to a committee.

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, you will understand that having just learned of the sudden and dreadful illness that has afflicted our leader, we are all, and particularly those of us who are members of the Bloc Quebecois, deeply saddened, not to say in shock. I can only hope that the Leader of the Opposition will make a speedy recovery.

The Bloc Quebecois is opposed to Bill C–59, an act to amend the Income Tax Act and the Income Tax Application Rules, because of certain measures it introduces. We are not, however, opposed to the following provisions of Bill C–59. First, the permanent renewal of the provision under which money accumulated in an RRSP can be used to finance the purchase of a first home. Second, the measure increasing the value, in many cases, of the charitable donations tax credit. The Bloc Quebecois is in agreement with this last measure, as it recognizes the contribution made by charitable donations to the well–being of the community.

At the present time, taxpayers are entitled to a tax credit equivalent to 17 per cent of the first $250 of charitable donations and a tax credit equal to 29 per cent on charitable donations over $250. The bill before us increases the total value of the tax credit for charitable donations, while lowering the threshold from $250 to $200.

• (1005)

The third measure that we do not object to is the one that permits a tax deduction for contributions into mine reclamation funds by businesses in the mining industry in the year in which these contributions are made. Such funds are used to cover the costs incurred when mines are shut down.

However, as a spokesperson for seniors' associations and organizations in Canada, I have undertaken to ensure that the social programs review not be reduced to simply making cuts across the board in programs designed to protect the disadvantaged, and the aged in particular.

The Bloc Quebecois denounces the fact that, over the next three years, the federal government will take half a billion dollars from seniors with this reduction in the age tax credit.

The National Advisory Council on Aging reported the following regarding the personal disposable income of the elderly: in 1989, the average income of unattached senior citizens 65 and over was $16,316, as compared to $23,080 for their counterparts under 65. An unattached senior citizen is a person who lives alone or in a household in which he or she is related to no other member of the household.

In 1992, the average income in unattached senior citizen households was $18,434, whereas that for other unattached persons was $25,039. Nearly 21 per cent, or 625,000, of Canadian senior citizens are considered as low income. The percentage of low income elderly is always higher than in the general population.

On March 9, I rose in this House and asked the Minister of Human Resources Development this question:

> By making alarming statements on the old age security system, is the minister preparing to hit seniors with a considerable cut in their old age security pensions?

By way of an answer, the Minister of Human Resources Development and Minister of Western Economic Diversification simply said that he wanted to "ensure that there will be a stable, effective, fair, honest system for seniors in the future and to make sure that this country can pay for it".

Allow me to wonder about the meaning of the word "stable" used in his reply in relation to seniors, as some tax provisions in Bill C–59 create a climate of insecurity for seniors.

On September 28, I asked the Minister of Human Resources Development another question concerning programs for seniors:

> Does the minister still intend to slash programs for seniors in order to finance other federal government programs?

The minister's reply was this:

> Mr. Speaker, it never was our intention, it will not be our intention, *la réponse est non.*

The next day, September 29, I rose again in the House of Commons to say this to the Minister of Finance:

> The Minister of Finance turns a deaf ear to public opinion and is using current consultations to deflect any questions. Senior citizens have often saved for years to have a decent income in their old age—
>
> The government wants to change the rules in the middle of the game. Although the minister has been stalling for several days, he will have to make a decision. Seniors hope he will select the only fair option: no taxation of RRSPs.

Bill C–59 clearly penalizes those most in need. Seniors have worked hard all their lives. We should be grateful to them for being pioneers.

In the last budget, the federal government decided to reduce the age credit. All taxpayers aged 65 and up can apply for a tax credit equal to 17 per cent of $3,482 at the federal level and to 20 per cent of $2,200 in Quebec. This credit is non–refundable, that is, it applies to the tax payable and there can be no refund on the excess portion.

• (1010)

The credit reduces federal income tax by about $610 a year for all seniors who have to pay income tax. In most provinces, including Quebec, this credit also reduces provincial income tax. The combined reduction of federal and provincial income tax averages about $950; in Quebec, it is about $1,050: $610 in federal tax and $440 for Quebec.

The change made by the latest budget would reduce this credit for seniors whose net income exceeds $25,921, the current threshold for other income–dependent credits. This threshold will be indexed to the annual increase in consumer prices over 3 per cent. The credit will be reduced by 15 per cent of an individual's net income over $25,921 and will be completely eliminated when his or her income reaches $49,100.

This measure will be phased in over two years. In 1994, the reduction will be half the amount calculated and the total reduction will apply starting in 1995.

According to the finance department, this measure will affect 800,000 out of 2.6 million seniors, including 600,000 seniors whose income is between $25,921 and $49,134 and 200,000 whose income is over $49,134.

Although the finance department estimated that the credit cost the federal government $1.3 billion in 1991, the expected savings are as follows: $20 million in 1994–95, $170 million in 1995–96 and $300 million in 1996–97.

By tightening the program conditions for seniors, the government is just lowering their income and making them feel insecure.

Furthermore, the government still stubbornly insists on penalizing seniors by proposing to install voice mail systems to answer inquiries from seniors. On May 10, I asked the minister responsible for seniors about using voice mail to answer inquiries from seniors. The minister simply told us about how fast the proposed service was. I explained that many seniors were reluctant to use this type of service, as the representative of the seniors' federation said clearly on their behalf. At the beginning of the period when we present petitions, I will have several petitions to table on this subject.

On May 11, 1994, I raised the issue again by asking this question in the House:

> —why does the federal government insists on attacking senior citizens, considering that most of them find it very difficult to deal with a system that is so impersonal?

The minister's response was both disarming and unacceptable. He said that the program would be more efficient and personalized, and that it would provide better service to seniors. The implementation of a centralized telephone answering system using voice mail to answer every request for information from seniors regarding government services will have a major impact on the quality of services provided to these people.

The Liberal Party was the first one to oppose cuts affecting programs for seniors. The government did not keep its promises. After targeting the age credit, cutting into old age pensions, scaring seniors with the announcement of a review of the Canada Pension Plan, the government now has the audacity to try to tax RRSPs. Every available source of income for seniors will be adversely affected and the federal government does not guarantee anything any more to people who saved money throughout their lives to have decent retirement incomes.

This fear among seniors is prevalent right across the country. I recently met with a delegation representing various associations for seniors, and I was told about their concerns regarding the government's proposed cuts to seniors' programs. I am referring more specifically to the old age pensioners' association, which was represented by its president, Mr. Grabke, its director of public relations, Mr. Ben Swankey, and its chairperson, Mrs. Marjory Kingsbury.

• (1015)

This association is the oldest organization in English Canada and has nearly 10,000 members in about 100 groups throughout British Columbia.

The position of the seniors in these groups was expressed as follows by their representatives.

[*English*]

"The position of seniors is that our generation made a lifelong contribution to building our country and we believe strongly that Canada should continue to provide a measure of security for seniors in their declining years".

[*Translation*]

On December 1, here on Parliament Hill, I also met representatives of the coalition of seniors for social equity. The association which has a membership of about 500,000 senior citizens, submitted a brief on the income of seniors: Myth or Reality. The coalition expressed the need for wide ranging consultations and planning, involving both government and seniors groups, before any changes were made in the old age security program.

Mr. André Lécuyer, a spokesman for francophone seniors, stressed that it was important to give people time to plan and adjust to changes in the system. According to Mr. Lécuyer, the public had been led to believe that the government could save more money than it does now, by cutting income security programs for seniors.

The spokesman for the coalition and president of the Federal Superannuates National Association, Mr. Claude Edwards, said during this press conference that they were not prepared to sit idle at a time when the very foundation of their superannuation plan was cracking. He said it was like buying insurance during one's working life and, upon retirement, being told by the insurance company that the policy had been cancelled and the money was no longer available. Why tax seniors?

And what about family trusts? According to some tax experts, wealthy Canadian families use family trusts as a special tax planning tool. Assets in trusts are not subject to capital gains tax for several decades, which means that these families are able to protect part of their family inheritance from one generation to the next. The family trust system introduced in 1972 by the Trudeau government, provided for the disposition of assets in trust after 21 years, which means in 1993, for instance, in the case of trusts created before 1973.

The Bloc Quebecois has nothing against the principle of family trusts but objects to their use as tax shelters. For instance, the Bloc Quebecois objects to the carrying forward of capital gains tax to the next generation. Furthermore, we want the government to reveal the figures on the value of assets and family trusts and the amount of tax revenue lost by deferring capital gains.

Why is the government so hard on the most vulnerable in our society who have worked all their lives and deserve a decent quality of life?

Bill C–59 is unacceptable in its present form because, as a result of certain measures introduced in this bill, the most vulnerable in our society will be penalized.

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, today is a sad day for parliamentarians, a sad day for Quebec and a sad day for Canada. Our thoughts today are with our hon. colleague, the Leader of the Opposition who is courageously fighting a very serious personal battle. I wanted to begin my comments by letting him know that our prayers are with him, his family and his children. All Canadians are with him.

• (1020)

I am pleased to join in the debate and to support Bill C–59. There are several aspects of the legislation and how it relates to our overall tax system that deserve comment and clarification.

Let me emphasize that our government knows full well Canadians believe taxes are already too high and we agree with them. That is why our priority objectives are to stimulate economic growth while putting in place real fiscal discipline. It is this double–barrelled thrust that will ultimately allow us to reduce taxes in the years ahead.

Let us remember that the tax deficit relationship is a two–way street. Every dollar of deficit borrowing we accept today will axiomatically lead to higher taxes tomorrow. Every dollar we can trim from the deficit, preferably through spending cuts but also through tax measures if need be is a step on the road to keeping the tax burden down.

That is why our government's 1994 budget was in many ways a tax reform and a tax reduction budget. It included measures to eliminate loopholes and increase tax system fairness and equity. It also committed to direct action to bring down unemployment insurance premiums which is a payroll tax that acts as a real barrier to new job creation.

It was also a tax reduction budget because of the firm commitment made by the Minister of Finance to cut the deficit to 3 per cent of the economy in three years. Again, let me make this central point. Fiscal discipline is the key to long term tax reductions in two key ways.

Obviously the less we have to borrow the less we have to tax to repay the loan and its interest, but there is another important dimension to this process. Controlling government's appetite for debt is our fundamental tool for getting interest rates back down. Lower interest rates mean lower carrying costs on our $500 billion debt. Again that means fewer tax dollars we need to spend.

I understand the concern some Canadians may feel about measures that add to tax revenues today in order to let us cut taxes in the future. We know the tax fatigue felt by so many. That is why the 1994 budget undertook a program of net spending reduction over three years. That is the most significant of any budget in a decade.

Over 80 per cent of the net fiscal improvement delivered by the 1994 budget over three years comes from spending cuts. In other words there are $5 of spending cuts for every $1 of revenue increase.

There is another aspect of our approach I must highlight. The net savings of $17 billion we will achieve in spending cuts comes after paying for our new initiatives. Some $6.7 billion in current federal program spending was reallocated to encourage growth, create jobs and to fund new priorities.

So far I have touched on the broad budgetary context of Bill C–59. Now let me comment on some of the specific aspects of the legislation and how it relates to the tax system and to other issues.

Clearly the most contentious part of the legislation is the measure to subject the age credit to an income test. Let me remind hon. members how this will work. Under the existing tax system Canadian seniors 65 years and over are eligible for special tax relief in the form of an age credit. It results in a combined federal–provincial tax reduction of about $950 per year. It is critical to note that under Bill C–59 individuals with net incomes below $25,921 will retain their full credit. That represents three–quarters of all seniors; 2.6 million seniors will not be affected.

But what about the 800,000 seniors who will feel an impact? Like our tax system itself, the effect will be progressive. For individuals with net incomes above the threshold, the age amount will be reduced at a rate of 15 per cent of their net incomes exceeding $25,921. The threshold will be indexed.

• (1025)

The bottom line is that most of those who will be affected will continue to receive partial benefits. In fact, only about 6 per cent of seniors, some 200,000, will no longer receive benefits because their incomes exceed $49,134, the threshold at which the benefits will be exhausted.

Let me just step aside for a second and give a context to that threshold. In 1992 only 10 per cent of all Canadians filing tax returns had incomes over $50,000. I should also point out that the reduction will be phased in over two years. For 1994 the reduction will be one–half of the amount otherwise determined. As well, the age credit will remain transferable to a spouse.

Let me now turn to the measures in Bill C–59 to eliminate the $100,000 lifetime capital gains exemption. As was said in the House yesterday, this exemption has been subject to much criticism. It distorts the tax system, totally exempting certain gains while taxing others. It also gives our tax system the real sense of being inequitable because it mostly benefits high income Canadians.

Let me highlight just one aspect of the dilemma. In 1992 there were some 12,000 Canadians out of the 19.4 million tax filers who earned $50,000 or more yet paid no income tax. A wide range of allowable tax deductions and credits made it possible for these people to eliminate their tax liability. Figures show that over 4,700 people in this group, some 40 per cent, used their lifetime capital gains deduction to reduce their tax payable.

I am not suggesting that those Canadians did anything wrong. But there is a real public policy problem, a philosophical wrong at work when millions of less affluent taxpayers see those well–off individuals escape taxation completely.

The bill will be an important step in helping to restore Canadians' faith in tax equity. It will help prevent some people from feeling any justification for their tax evasion, an important goal when the Auditor General reports billions of dollars of unpaid taxes.

The issue of tax system fairness and the ability to avoid taxes leads me directly to other measures of Bill C–59, those related to the corporate sector. There are many Canadians today who feel that the business sector receives preferential treatment compared to the individual taxpayer.

It is worth noting that people often focus on the corporate income tax and do not recognize the many other taxes that businesses must pay. They include provincial corporate income taxes, capital and insurance premium taxes, payroll levies such as UI premiums, Canada and Quebec pension plan contributions, workmen's compensation premiums, and municipal property taxes.

In fact in 1993 Canadian corporations paid some $51 billion in such taxes, about $21 billion to the federal government and $30 billion to the provincial and municipal governments. That being said, the perception of corporate welfare bums still remains in many minds. People still read of profitable corporations paying no tax. They believe there are still too many loopholes and deductions that are not justified given our serious national debt problem.

Bill C–59 takes new steps to reduce deductions and eliminate loopholes that were clearly violating the spirit of a fair tax system. For example, the bill will reduce the tax deduction for eligible business meals and entertainment expenses from 80 per cent to 50 per cent. This measure will make the tax system fairer by helping to ensure that all businesses, large and small, pay an appropriate share of tax. It also better reflects the element of personal consumption that we believe is inherent in such expenses.

• (1030)

I should reiterate a key point made by the government's opening speaker. This measure is consistent with recent reductions of business meals and entertainment expense deductions in Ontario, Quebec and the United States.

The legislation also proposes to restrict the use of certain tax shelters. These are ones where limited or passive investors in a partnership have been able to claim tax deductible losses and/or to receive cash distributions that actually exceed the cost of their investment.

Similarly Bill C–59 will also curtail the use of the tax avoidance technique known as a purchase butterfly. Let me remind members of how this flighty corporate provision has functioned.

Current federal tax rules permit corporate property to be divided pro rata among its shareholders on a tax deferred basis. This assists the splitting up of a corporation so that the shareholders can continue to carry on separately the corporation's business.

In recent years, unfortunately, the rules have been used to avoid or defer tax on the sale of corporate assets. In May 1993 the government introduced rules to curtail cross border purchase butterfly transactions. Bill C–59 proposes to modify these rules and extend them to all purchase butterflies.

The final measure I want to highlight is the proposal to make large private corporations ineligible for the small business deduction. In today's new economy small business is the major job creator. It is a sector that deserves effective targeted support.

Unfortunately under the existing rules this support was also going to larger firms, companies that do not have a reasonable claim on the limited public and taxpayers' purse.

The small business deduction recognizes the special financing difficulties and higher capital costs faced by the vital small business sector. The deduction lowers the basic federal tax rate on the first $200,000 of active business income of Canadian controlled private corporations from 28 per cent to 12 per cent, a reduction of 16 percentage points.

This lower tax rate provides small corporations with more after tax income for reinvestment and expansion. Regrettably under the current rules, some very large corporations are also obtaining this benefit. The proposed rule changes will make large corporations, those with taxable capital of $15 million or more, ineligible for the small business deduction. As well, the rule changes will reduce the deduction for corporations having taxable capital between $10 million and $15 million.

Let me acknowledge that Bill C–59 will not in itself resolve Canada's fiscal problems nor restore equity throughout the tax system. Those are the goals that will only be met by consistent, continuous effort, effort our government is committed to delivering.

Bill C–59 does take valuable steps in both directions, measures to broaden the tax base for fiscal renewal and even more important, measures to improve the fairness and efficiency of the tax system itself. On both counts it deserves the full support of the House.

As I said, Bill C–59 in itself is not going to change or fix all our problems. We do need a continuous and consistent effort to deal with the deficit and the debt.

I want to spend the remaining moments of my time to review very briefly some of the initiatives that the government and the finance minister have brought forward in preparation for our next budget.

On October 17, 1994, the finance minister came before the finance committee of the House of Commons and outlined the framework for economic policy. I want to remind hon. members of the first principles that the finance minister articulated for all members.

• (1035)

He said: "First, we have one overriding goal as a government, that is jobs and economic growth. Second, good economic policy and good social policy are one and the same. Third, a country that is to continue to care for its citizens must be a country that can pay its bills, and, fourth, we need to create a new infrastructure for a Canada of ideas and innovation". Finally he said that government itself must change. A government cannot or should not do everything. Responsibility should lie with those who are best able to do the job.

We have had changes in the world economy. We are now in a strong economic recovery. Jobs are being created. The job crisis is not just about a recession or a cycle. It is a global epidemic. The world economy is truly integrated. Trade barriers are now gone. Communications are instant. Transportation is efficient. Markets never close and of course information technology is exploding. All this spells competition and opportunity. To be successful we need to upgrade our skills to fit a knowledge based economy. In addition we must reform our social and income support programs upon which so many Canadians have become dependent.

The fiscal track we have been on is unsustainable, not because of ideology but because of its mathematical reality. The only answer to our job dilemma is sustained substantial economic growth. That growth requires improved productivity in terms of ingenuity, better management and paying attention to the common sense workers.

High productivity increases incomes and contributes to a higher standard of living for all Canadians. To improve our productivity we must also improve our skills.

During the social program review and in the budget review it has become clear that we will and we are reviewing all programs. Rather than trying to fix everything by ourselves we are also trying to facilitate solutions in partnerships with business, industry, and Canadians at large.

We must also continue to clean up federal regulations which cost businesses billions of dollars. We must create a healthy fiscal and monetary climate. We must restore our fiscal health and deal with the deficit and the debt. As we know the debt is growing faster than the economy and that is unsustainable. As the finance minister and the Prime Minister have told us on so many occasions, our goal is to balance the budget.

As an interim target the government is committed to reduce the deficit to 3 per cent of GDP by the 1996–97 year. We are going to hit that target.

Finally let me highlight the principles guiding our choices in the 1995 budget as represented to the finance committee on October 18. He said that deficit reduction is an integral part of jobs and growth strategy. Fairness, and I stress fairness, is paramount so the most vulnerable in our society will not be left behind. Deficit reduction must be selective and strategic, reflecting clear priorities and not simply a mathematical across the board approach.

Budgetary action should weigh on the side of cuts and expenditures and not increased taxes. Economic assumptions must be prudent to stimulate confidence that deficit targets will be achieved.

We have $120 billion that the government spends on programs, one–third of which went to individuals in the form of elderly or UI benefits, transfers to Indians or to the Inuit. Twenty–five per cent of transfers were to other levels of government, ten per cent to business subsidies, international assistance, et cetera, and nine per cent to defence. All aspects of our program spending will be reviewed.

This is the commitment of the government. This is the direction established by the 1994 budget. This is the direction supported by Bill C–59.

• (1040)

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I am pleased today to rise for debate on Bill C–59, an act to amend the Income Tax Act and the income tax application rules.

Before getting into my speech, I want to say that I am deeply concerned for the health and welfare of the Leader of the Opposition as I know all my colleagues are. I want him and his family to know that our thoughts and prayers are with him through this ordeal. We sincerely wish him the very best.

I am going to speak against the bill today for reasons I will talk about later. I would like to first summarize the bill. As I do that I will point out the positive and negative aspects as I see them. I will outline why I will not support the legislation. Then I will briefly talk about what the government should have done instead of putting these changes in place.

To summarize, the bill has 12 main points. First is the elimination of the $100,000 lifetime capital gains exemption. I believe this is the most significant change in the bill. I will discuss it later.

Second, it extends employee benefits to include the first $25,000 of life insurance. Reform supports this measure. I support this measure because it harmonizes employer funded plans with private plans.

The third aspect dealt with in the bill is the age tax credit. It reduces the amount of credit based on an individual's income level. It provides for income testing which I believe is something we need in this tough financial crisis we are facing right now. It provides a clawback of credits that begins at $26,000 and ends at $50,000 when the credit is fully clawed back. We support this measure because it moves away from universality, benefiting those most in need. This is something we have to move to in the times we are in.

The fourth aspect is extending the homebuyers plan indefinitely for first time buyers. While I support this to some extent I do have some concern with it. It is discriminating against second and third time buyers and so on. One thing I do not like to see in the income tax system is measures that encourage and give special preference to one group and not to others. While I support the idea and think it will be productive, I do have some concerns for these reasons.

Fifth is the area of charitable donation tax credits. It lowers the threshold at which the tax credit is calculated. The amount is now 17 per cent of the first $250 donated and 29 per cent for anything over $250. The change lowers the threshold for the 29 per cent benefit to $200. This is an acceptable change.

The sixth change is a reduction in the business meals and entertainment expense allowance from 80 per cent to 50 per cent. I support the elimination of this measure which I believe has been a subsidy to business to some extent. I believe the meal allowance is due to some extent at least a double–up on an expense that would normally be there in the life of other individuals who are not carrying out business. I agree with the lowering of this level to 50 per cent from 80 per cent.

Seventh, in terms of tax shelters and partnership interests, it requires limiting the amount to passive partners. It really deals with the issue of using partnership interests for tax shelters. I believe this change will correct a loophole that Reform has seen and we support it for that reason.

Eighth, the device of corporate recognition closes tax loopholes. This loophole has allowed capital gains on disposition of corporate assets to be avoided in certain circumstances. Because it is being removed we support it.

• (1045)

The ninth measure, the investment in research and development tax credit, reduces regional disparity in certain credit schemes and distortions in the tax regime. Because it removes these disparities in the distortion we support it as well.

The tenth amendment is the expenditure limit on scientific research and development. It prorates the expenditure limit for a Canadian controlled private corporation and is based on the corporation's business limit for the year. It seems that it would make sense although we have some concern about that as well.

The eleventh measure reduces the small business deduction available to Canadian controlled private corporations with taxable capital over $10 million but under $15 million. These changes ensure that only small businesses can avail themselves of this deduction which was intended for small business in the first place. At least it is moving the deduction toward the more common or more accepted definition of small business. We support the measure for that reason.

The final change is to the mine reclamation fund. This results in lower taxes and provides for environmental clean–up. It is something that Reform expects in any business venture. Part of the business analysis before start–up should involve environmental reclamation in the case of mines or should involve figuring the cost of putting the environment in as near to the original condition as possible. Reform supports that.

Why does the Reform Party not support the legislation? The main reason is that the $100,000 capital gains tax exemption is being removed. This is a serious impediment to the build–up of wealth in Canada. To me that is a large concern.

Yesterday and the day before I attended a conference in Toronto. It was called Hitting the Wall and was sponsored by the Fraser Institute. There were speakers from several countries who were seized very much with the situation in countries like Canada that had refused to deal with the situation until it became a crisis.

One of the things that was talked about at the conference was the fact that it is very important to have savings in a country, especially a country like Canada that is seriously facing the very real possibility, in fact probability according to these speakers who had lived through this in other countries, of Canada being cut off in terms of bond issues to other countries.

It is a very real possibility. I will talk a little later about how the different speakers dealt with this issue and their thoughts on it. If there comes a time, and I believe there will come a time, that Canada issues a bond and there are no takers, we have a crisis. Our savings in Canada have been declining. It used to be that the United States had the lowest percentage of savings in the OECD countries. Now Canada has surpassed the United States in having the lowest savings level in the OECD. The United States which is notorious for having low savings now has been outstripped by Canada in winning that honour.

When the time comes that we have no takers on our bonds from outside the country, we will then we have to rely solely on Canadians to finance any additional debt and to finance payments on our present debt. What does it mean if savings are decreasing? It means there is that much less money available to finance the new debt and the new money that Canada has to borrow just to continue to keep the country operating. Therefore there is less money available.

Speakers at the conference made it known that it gives us less margin to react come the time when our bonds will no longer be accepted. There were speakers at the conference who deal in offering and buying Canadian bonds. One individual worked for a Japanese corporation. When asked he said that his corporation probably would continue to fund Canada's debt through bonds, but not because Canada is a good risk. In fact this gentleman said very clearly that Canada is a very bad risk. But his corporation will continue to buy bonds because Canada will pay the risk premium that is necessary for its investors to be willing to buy them.

• (1050)

Another reason is that the proportion of Canadian bonds held by this huge bonding company, of which this gentleman is the chief economist, is 3 per cent of its portfolio. Because of the high risk premium, in other words the high interest rates Canada must pay to maintain this foreign debt, this company will continue to finance these bonds for now.

However this gentleman said there could well come a time when the financial situation will be so bad that Canada will not be able to fund our debt from without. It could be very soon. That is why it is extremely important we have savings in the country to at least tide us over until we can make some kind of an arrangement with the International Monetary Fund to deal with the crisis, get some intermediate funding and work out an arrangement to work through the crisis which is caused by debt that is out of hand and government spending which is out of hand.

At this conference several things came across very clearly. First, most of the speakers at the conference said that Canada is in a very serious situation right now. Two of the speakers said they thought government would not deal with the problem. In other words they said Canada will hit the wall. It means that our economy and this country will go into a crisis situation. We will not be able to obtain financing from outside the country.

Both of these speakers were very clear in saying that it does not have to be like that, but that history has shown that is what happens. The history of Argentina, Brazil, Italy, Chile, Mexico and New Zealand among other countries has shown this. These are countries that had well developed economies, much like

Canada's. However history has shown that governments in well developed countries will not deal with the problem.

Two speakers said we are going to hit the wall, our economy is going to collapse. Most speakers said we do not have to. The telltale time will be the finance minister's next budget. If he comes out with a budget that cuts spending, that will lead to a balanced budget in a very short time, then we will avoid this crisis.

These speakers were not confident that will happen. They said we certainly can avoid it. But this next budget is the last chance. They made that very clear.

One speaker told a story about our finance minister. He said our finance minister had gone to the doctor because he had a serious hearing problem. The doctor said: "Your hearing problem is directly related to the fact that you are drinking a little too much. You have to cut your drinking down and that will fix the hearing problem". The finance minister went away and came back several months later. The doctor asked: "Have you quit drinking?" The finance minister said: "Yes, I have. I did quit drinking but I found that what I was drinking was much better than what I was hearing, so I started drinking again".

I hope sincerely that is not the case, that is not the way the finance minister will react to this crisis and that he will come down with the budget we need next February. It is our last chance to avoid this crisis.

Increases in taxation will not solve the problem. A decrease in government spending will. This is our last chance. Let there be no doubt about it.

• (1055)

The Speaker: Is the House ready for the question?

Some hon. members: Question.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

The Speaker: Pursuant to Standing Order 45(6), the recorded division stands deferred until Monday, December 5, 1994, at 6.30 p.m.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that the vote be further deferred from Monday until Tuesday at 5.30 p.m.

The Speaker: Members have heard the hon. member's suggestion. Is there unanimous agreement?

Some hon. members: Agreed.

[*Translation*]

The Speaker: It being 11 a.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*Translation*]

THE ENVIRONMENT

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, I would like to remind hon. members and all Canadians that, as citizens of Canada and citizens of the world, each and everyone of us is responsible for protecting our precious natural heritage and for transmitting it to future generations.

[*English*]

Each year the Environmental Achievement Awards recognize the special contribution Canadians have made toward protecting and restoring the integrity of our natural environment.

[*Translation*]

The 1994 winners of the Environmental Achievement Awards, the finalists and the candidates, are an outstanding example of how we all, individually or as a group, can make a difference.

[*English*]

Special congratulations are in order, Mr. Speaker, for yourself and all the employees of the House of Commons. The House received an Environmental Achievement Award yesterday, recognizing its environmental leadership within the federal government for its program "Greening the Hill", an initiative designed to incorporate environmental considerations into its daily operations.

* * *

[*Translation*]

IRVING WHALE

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, recently, *Le Radar*, the Magdalen Islands newspaper, published an editorial that was very critical of the Minister of the Environment for her attitude to the refloating of the *Irving Whale*. The barge is lying on the bottom of the sea between the Magdalen Islands and Prince Edward Island, with three million litres of oil in its hold.

The people of the Islands are alarmed at the prospect of this very risky operation to refloat the barge, especially since two sea birds were recently found covered in oil, on the beaches of the Islands.

The Regroupement des Madelinots has demanded that the Minister of Transport reconsider the decision to refloat the barge and adopt a safer method, consisting of pumping and refloating.

Why is the government so reluctant to listen to these people who are afraid that an ecological disaster could threaten the fragile ecosystem of the Islands? What is it waiting for?

* * *

[*English*]

LEADER OF THE OPPOSITION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I rise in the House today to express the deep concern of all members of the Reform Party for the current health crisis the member for Lac–Saint–Jean is facing.

Our thoughts and prayers go out to his wife and family as they deal with this serious situation.

We want our colleagues in the Bloc to know that we share their concern for the health of their leader. While we do not share the same political views, there is no question of the member's sincerity and dedication to his cause and those who support him.

Good health and a loving family are far too often taken for granted as we deal with life each day. It is the suddenness of something like this that serves to remind all Canadians of how fragile our hold on good health really is.

We in Reform wish the member for Lac–Saint–Jean a speedy recovery so that he may return to his family. We look forward to his return to the House.

* * *

GUN CONTROL

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, I congratulate the hon. Minister of Justice for making good on the government's promise to fight crime with tough gun control legislation.

The vast majority of my constituents of Parkdale—High Park welcome mandatory prison sentences for those who commit violent crimes with a gun. We welcome mandatory jail terms for those caught in possession of stolen or restricted firearms. All Canadians are pleased to see that gun smugglers will serve up to 10 years.

Tougher gun control is just one part of the government's commitment to safer streets and safer homes. Personal safety is in everyone's interest. If this legislation will save one life it will be worth the time, the effort and the cost of the program.

* * *

GUELPH POLICE CHIEF

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, once again the city of Guelph has made history. On November 29 the Police Services Board announced the appointment of the first woman to head a city police force in Canada.

I join my constituents in congratulating Lenna Bradburn on her appointment. Ms. Bradburn becomes police chief at age 34. She is described as extremely intelligent, extremely innovative and extremely productive. She was chosen largely because of her innovative ideas on strategic planning and community policing.

On December 19 Lenna Bradburn becomes chief of police and will lead Guelph's 142 officer force for the next five years. The city of Guelph and the residents of Guelph—Wellington welcome Chief Lenna Bradburn and wish her much success in this challenging position.

* * *

AWARDS FOR BRAVERY

Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):

[Editor's Note: Member spoke in Inuktitut.]

[*English*]

I would like to take a few moments today to recognize some very courageous people in my constituency. Earlier this month they were honoured with the NWT Commissioner's award for bravery.

Moses Aliyak of Rankin Inlet received the award for bravery at the highest level for rescuing his wife and nephew from a polar bear attack.

Three Cambridge Bay residents, Peter Evalik, Richard Evalik and Grant Corey, also received the award at the highest level. They saved the lives of two women in a burning house by crawling through heavy smoke to find them and get them to safety.

Dennis Klengenberg and Kevin Niptanatiak of Coppermine received letters of commendation for rescuing each other after their snow machine broke through the ice near the mouth of the Coppermine River.

With great pride and admiration I salute these heroes of the north.

* * *

[*Translation*]

BLOOD SYSTEM

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, some important aspects contained in the report of the panel of experts

on the safety of the blood system in Canada were revealed yesterday after being leaked to the press.

Several complaints and fears expressed by a number of groups were confirmed in the report. The experts noted a manifest lack of consistency in the work done by Health Canada's Bureau of Biologics, which is responsible for controlling the quality of blood products and facilities at the seventeen transfusion centres of the Canadian Red Cross.

This proves how reluctant the Minister of Health is to take the present situation seriously. The minister prefers to let the provinces take the blame for this mess and, instead of doing what she is supposed to do, has tolerated these lax procedures at the Bureau of Biologics. It is high time the minister acted responsibly and tightened up the standards and their application.

* * *

[*English*]

JUSTICE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, in July of this year an RCMP officer in my constituency caught Ian David Martin crossing into Canada illegally.

This 200–pound man lunged at the officer, knocking her down and wrestling away her service revolver. Just before he could shoot the officer a private citizen by the name of Klaus Soth stopped his car and intervened. Though threatened with death he bravely continued to reason with the assailant until they could both escape. Subsequently the criminal torched the police car, causing $41,000 worth of damage.

For these grievous crimes he received a slap on the wrist of 15 months. He may be paroled by Christmas. Mr. Martin also had a smuggled .357 magnum revolver on his person.

If the government would have followed Reform's prescription a year ago and put in place automatic sentences for the commission of crimes while using a gun, this dangerous man could have been put away for years instead of months.

Our current system mocks justice and declares open season on police officers by allowing criminals to act with virtual impugnity.

* * *

• (1105)

SOCIAL SECURITY PROGRAMS

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, the government has launched the first ever comprehensive review of social security programs.

To say the least, this has been long overdue. Canadians realize that the social safety net no longer meets the needs of those in need. Not enough emphasis is placed on ending the cycle of dependence on poverty.

This is particularly true in Atlantic Canada. That region desperately needs better access to higher education and training programs to help people get jobs that last.

Atlantic Canada has a seasonal economy. Agriculture, tourism and fishing are our largest industries and will remain so for a long time. In redesigning the unemployment insurance program and other social programs, I urge the minister to remember the seasonal foundation of our economy.

I am confident this government will design a package that will help us move beyond a seasonal economy and that seasonal workers will not be left behind.

* * *

JUSTICE

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, on November 16, 1992 I had the honour of introducing in the House two very important bills. Bill C–365 considered crossbows dangerous weapons and recommended that they be prohibited. Bill C–366 sought to prohibit the sale and use of replica guns that might be mistaken as a real weapon and used in crime.

These bills came about as the result of major crimes in our community. On behalf of the victims of these crimes, in particular Patricia Allen's family and friends, I want to congratulate the Minister of Justice in committing this government to taking action on the banning of these two items.

The people in my community are solidly behind the minister's bold, progressive and dynamic approach to addressing the issues of crime and community safety.

I would also like to take a moment to thank my former staff member, Mike Bonser, who worked very hard on these two bills, and my current staff for their continued support and hard work. As members know, an MP without staff is like a bird without wings. I thank all MPs' staff for making our job a lot easier.

* * *

SOCIAL PROGRAMS REVIEW

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, in October the Minister of Human Resources Development released a discussion paper entitled: "Improving Social Security in Canada". This document outlined the government's options for improving Canada's social programs.

To ensure that the people of my Dauphin—Swan River riding had input into the changes being made, I sponsored four public forums as part of the public consultation process. I am pleased to report that the forums were a complete success.

The participants represented a cross–section of the riding. The discussions were thoughtful and constructive. A variety of very good ideas were brought to the table. Today I will be providing the minister and the standing committee with the report that summarizes these very valuable ideas.

I strongly recommend to all members of this House who have not yet met with their constituents about this important issue to do so.

* * *

THE DEFICIT

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, many Canadians are demanding that the government increase its efforts to reduce the deficit. We must cut the deficit now while the economy is still expanding. The government does not appear to be listening, but maybe it will listen to the latest news.

The International Monetary Fund is also disappointed by the government's deficit reduction targets. A confidential IMF report said that it would be appropriate to plan on the basis of a more ambitious medium term target in the 1995–96 budget, with a view to accelerating fiscal consolidation the next few years.

Along with the IMF, market watchers are becoming uneasy with the federal government's 3 per cent target. Last month witnessed the largest sell off of foreign held Canadian securities since the eve of the Charlottetown accord.

When will this government get the message that 3 per cent is not enough? The debt clock today is $540,471,337,554.19.

* * *

NATIONAL ROAD SAFETY WEEK

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I rise today to remind all Canadians that this week is National Road Safety Week. It is important that all motorists in this country realize the importance of safe driving.

[*Translation*]

Last Monday, I had the misfortune to be involved in a traffic accident. I emerged with a broken nose, a few bruises and a good scare. The woman driving the second vehicle was also slightly injured.

I can tell you that the fact that I was wearing a seat belt probably saved my life. There are far too many deaths in Canada. A number of lives could be saved simply by the use of seatbelts.

• (1110)

It is my keen hope that this message will be heard by the public and that National Road Safety Week will be a reminder to motorists that safety on the roads is in their hands. I repeat my message: we must all be on our guard when driving.

* * *

[*English*]

GUN CONTROL

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the Minister of Justice has indicated his desire to enact stringent gun control measures that will primarily affect law–abiding citizens and will do little to address the criminal use of guns.

I fully support several measures which call for increased penalties for the trafficking of illegal weapons and certainty of sentencing for weapons offences. However, I caution the Minister of Justice to bear in mind that of all homicides committed between 1961 and 1990, less than 1 per cent were committed with legally owned handguns. As a result the registration of all firearms will be of little value in attempting to reduce crime and it will be the law–abiding citizens who will bear the brunt of this legislation.

The reality is we have a serious crime problem, not a serious gun problem. The principle of the protection of life and property of every Canadian citizen must be the number one priority when considering all legislation pertaining to our criminal justice system. I trust the Minister of Justice will bear this in mind.

* * *

VIOLENCE AGAINST WOMEN

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, yesterday in the House the member for London West was asking a very serious question of the Minister of Justice about violence against women and I quote: "Most of the violence women experience is in their homes and at the hands of men they know. What measures is the minister taking to protect women from violence?"

A male member from the Reform Party clearly shouted out: "Give them .32s," a shameful display of disrespect—

The Speaker: My colleagues, this matter was dealt with yesterday on a point of order. At that time I heard both sides. I would say that this statement is coming back on a point of order that I declared closed. This statement is out of order.

[*Translation*]

LEADER OF THE OFFICIAL OPPOSITION

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, Lucien Bouchard, our leader and our friend, is right now engaged in a human drama, the intensity of which we can scarcely imagine. We are powerless before this tragic event and must rely completely on medicine and on providence.

But we want him to know that we are all with him in spirit, that our thoughts and our energies accompany him. All the members of this House, and the members of the Bloc Quebecois in particular, wish to express their support to his family, especially his mother, his wife Audrey and his two children, Alexandre and Simon. Lucien Bouchard is a man who has devoted all his energy and all his talent to the cause of the people of Quebec and today, in his personal struggle, the people of Quebec are behind him.

ORAL QUESTION PERIOD

• (1115)

[*Translation*]

MIL DAVIE SHIPYARD

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is for the acting Prime Minister.

The board of directors of Hibernia has really thumbed its nose at the Prime Minister—a move with very serious political consequences—by refusing his request to review its decision to award a contract without tender to Saint John Shipbuilding. In doing so, the Hibernia board is maintaining its original decision which violates all the rules for awarding contracts.

Does the acting Prime Minister maintain the position of the Prime Minister, who said that the contract should not have been awarded directly to Saint John Shipbuilding?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): First of all, Mr. Speaker, before answering the hon. member's question, let me say that our thoughts and prayers go out to the Leader of the Opposition and his family. We pray that he will recover and regain his health. I think that I speak not only for my colleagues but for all Canadians.

[*English*]

I was in agreement with what the Prime Minister said when he made the remarks quoted by the hon. member. I continue to be in agreement with those remarks.

However, after the announcement of the consortium yesterday that they had acceded to the request of the government to review their decision but after doing so had decided to maintain their original decision, we sought legal advice. I say with some regret that the advice was that the government does not have the legal means to do anything to change that decision.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, while everyone, including the Minister of Natural Resources and the Prime Minister, admits that MIL Davie was wronged by this appalling decision and that the Hibernia consortium is making a mockery of the established rules, does the government now intend to intervene directly so that justice and equity prevail?

I recall that there were two bidders. When one of them cannot fulfil the contract, usually the second one is called on. Will the government put sufficient pressure on the board of directors?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, MIL Davie was not the only one wronged by this decision. I think that all other shipyards that could have bid are in the same position. That is why the government, in light of the report from the Newfoundland–Canada Offshore Petroleum Board, asked for a review of the initial decision.

I am sorry to say that based on the legal opinions we have received we cannot insist that the call for tenders be reissued. I must add that a general review of all the economic spinoffs in this area is already in place. The government will take this situation into consideration to see what changes must be made in future to avoid a recurrence.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, let us recall the facts. The Canada–Newfoundland board said that only MIL Davie was wronged. First, no other shipyards were mentioned. Second, all the shipyards could bid. When Hibernia called for tenders, only two shipyards bid, Marystown and MIL Davie. Normally, the second one is called on if the first is not up to scratch.

Remember that before he left for Paris, the Prime Minister clearly instructed Hibernia to review its initial decision, which he termed unfortunate. How does the acting Prime Minister explain that, although his government guarantees 50 per cent of the Hibernia project and is investing more than $3 billion in it, it cannot make the Hibernia consortium respect its decisions and those of the Prime Minister?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): First of all, Mr. Speaker, I said that not only MIL Davie but also the other shipyards were wronged by the decisions in question because all the other shipyards did not have a chance to bid on the work which was taken away from Marystown.

• (1120)

Second, my answer was given in light of the fact that the previous Conservative government had passed a bill on the Atlantic Accord which does not give the present government the power to have the contract in question reopened. I am sorry but that is why the government is reviewing the whole program of economic benefits to be certain that the situation will not recur.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I wish to remind the Acting Prime Minister that the Bloc Quebecois was the only party to vote against the Hibernia legislation; the current government voted in favour.

The Hibernia consortium, heavily subsidized with billions of dollars from taxpayers in Canada and Quebec, was denounced last week by the Canada–Newfoundland Board for violating the terms of the plan for awarding Hibernia contracts. By renewing their decision, probably with the agreement of the representative from Petro–Canada, 70 per cent owned by the federal government, the members of the Hibernia board of directors continue to deny justice to the MIL Davie shipyard.

Is the government aware that by not immediately demanding the cancellation of the contract awarded to Saint John Shipbuilding, it is condoning another decision that discriminates against the MIL Davie shipyard?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, according to the advice I received, the government does not have the power to have the contract in question reopened but, because it wants to ensure that MIL Davie and all other shipyards are treated equally in this matter, the government has asked the consortium to review its decision. We regret that the consortium has decided to maintain this decision. As I just said, that is why we will undertake a full review of this system of economic benefits and do what we can so that this situation does not happen again.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, if I understand correctly, the government has no power to act, but it has the power to sink billions of dollars into this project.

Are we to understand that the government's refusal to take immediate action in this matter is intended to doom the MIL Davie shipyard and to satisfy its little Liberal friends in the maritimes?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, it is unfortunate that in this difficult situation the hon. member can do nothing but try to sow dissension and ill will between various parts of Canada. I think it is shameful that he misuses this serious situation in this way.

This government wants to treat all involved in a fair and equitable fashion: MIL Davie, the shipyards in Atlantic Canada and everyone else concerned, and that is the way we have been acting. We have used the powers we have and unfortunately they do not extend to having the whole thing reopened. However, we are reviewing the whole process to try and make sure that this unfortunate situation does not happen again.

* * *

NATIONAL DEFENCE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the report of the special joint committee on Canada's defence policy has been generally well received. There has been virtually unanimous support for the recommendation to constitute a standing joint committee on defence to monitor progress on defence department programs. I have been unable to find any reference to this committee in the white paper.

I ask the defence minister, is this an oversight or has the government decided to exclude Parliament from defence matters?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we deliberately did not address ourselves to this particular question in the white paper because this is really a matter of negotiation between the leaders of the various parties and in the other place. That is something my colleague, the House leader, will obviously take into consideration. However, that is not within the ambit of defence policy.

• (1125)

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, perhaps this falls into the same category, but I think the minister should address it.

The committee report also recommended that except in extraordinary circumstances Canadian forces commitments for overseas tasking should not be made prior to a debate in Parliament.

Canadians want to know what is involved and want to have more opportunity to express their opinions before our forces are committed overseas. The government has been better than the previous government, but Rwanda and Haiti had in fact been decided before they were brought before Parliament.

Will the government reconsider and commit to incorporating this parliamentary process?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think the hon. member has answered his own question, if I may say. The fact is this government has had debates on our peacekeeping engagements and I am sure the Prime Minister will continue to do that in future.

In terms of the flexibility of having those debates, that is really up to the Prime Minister and the government generally. Again it is a representation that I am sure we will consider.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, we would very much like to see a commitment by the government to bring this to pass.

The military training assistance program is one in which foreign military personnel are trained in concepts and procedures by our military. Unlike Canada, foreign military officers are often directly involved or very influential in their governments.

In the white paper the government has committed to expand this program. While the training is done by the military the results support foreign relations, international trade or it could even be called foreign aid. The committee recommended that that defence dollars be spent only on defence.

Will the minister confirm that the costs of the MTAP will not come out of the defence budget.

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, they do come out of the defence budget now and they obviously will in the future.

I beg to differ with my friend. We believe that the bilateral assistance that we give to members of other armed forces is consistent not only with our foreign policy, but is an aspect of defence policy. That is something we will continue. In fact, in the white paper we do announce a decision which was communicated by the Minister of Foreign Affairs yesterday in Brussels to his colleagues to reduce our commitment to the NATO infrastructure budget so that some of those funds which now do not come back to Canada, because Canada has given one of the largest shares and has probably the lowest payback, will be used for bilateral training at our Lester B. Pearson Peacekeeping Institute in Cornwallis, Nova Scotia, involving specifically those countries in the Partnership for Peace Program from eastern Europe.

* * *

[*Translation*]

BOSNIA

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Minister of National Defence. The war is more intense than ever in Bosnia. After the visit of the UN Secretary–General to Sarajevo ended in failure, Bosnian Serbs took more peacekeepers hostage in a raid in Croatia. They are pursuing their assault on Bihac and continue to block humanitarian relief convoys. It is even reported that, today, they fired missiles on Sarajevo.

Does the minister confirm these reports? And can he give us an update on the situation in the former Yugoslavia, especially as the conflict may well spread to Croatia now?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we did not get any dramatically different news from the former Yugoslavia today than we got yesterday except that there are some hopeful signs. Some convoys, I believe involving British and Dutch, have been allowed to proceed. So they are not being detained.

Discussions are under way concerning our Canadian peacekeepers that have been detained. As I have said publicly, those people who are detaining them from the Bosnian—Serb side are not unknown to our forces. There is a good rapport between them. While it is obviously becoming much more worrying and frustrating for everyone concerned, especially the families, we have no reason to believe that the situation involving our own peacekeepers has deteriorated substantially.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, the contact group is scheduled to meet today in Brussels to develop a new diplomatic approach. Can the minister tell us what Canada's preference would be in terms of such an approach and whether or not he supports the idea that was put forward, to let the Bosnian Serbs form a confederation with Serbia?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, this gets a little out of my realm. Perhaps my colleague, the Secretary of State for Foreign Affairs, who is here, would like to address it subsequently.

• (1130)

As far as we are concerned it is time to take a fresh look at negotiations for a settlement in the former Yugoslavia. Obviously the settlement the contact group came up with earlier this summer is unacceptable, at least to the Bosnian Serb side.

We need some fresh thinking. Whether or not Canada is part of the contact group we are kept informed. We have indirect input. I hope that Canada can play a more prominent role in bringing the various points of view together in the coming weeks.

* * *

BUDGETARY POLICY

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the Reform Party has been saying that the deficit should be eliminated during this term of Parliament but the Minister of Finance has said it is unrealistic.

In the finance hearing, the Canadian Chamber of Commerce, the Business Council on National Issues, the C. D. Howe Institute and others have said that we should balance the budget within the term of this Parliament.

My question is for the Minister of Finance. Does he believe this is realistic at this point in time?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, the government continues to be committed to its deficit reduction target. Its interim target is 3 per cent of GDP in the third year of its mandate. It is definite. It is clearly the Minister of Finance's response to this. It is clearly on the agenda and we will certainly make that target.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the pillar of the Liberal Party is the red book. On page 20 of that book it says that there will be a balanced budget, but it also says that it is unrealistic to do it five years. It is time the government puts on the table what is a proper time line. Could the minister indicate to the House when the budget will be balanced?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, the interim target is within two years now. It is important for the government to meet its targets on a year by year basis.

It is important to restore the confidence of the financial markets in the ability of the government to meet its targets. There is no point in putting forward a target that is unreachable such as the Reform Party has done in the past. It is important to put forward targets that are reachable and attainable to ensure we have the financial market's support.

That is what we are going to do. We are going to reach our target of 3 per cent of GDP in the third year. Then we are going to go on to a balanced budget.

* * *

[*Translation*]

DEFENCE POLICY

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is for the Minister of National Defence.

The minister tabled yesterday, and rather hastily, his white paper on defence, which is in fact a botched job, a spur of the moment job, a paper characterized throughout by a backward–looking vision and lacking any real, meaningful direction.

Does the minister not realize that the hurried tabling of his white paper has deprived the government of practical proposals with respect to NATO, NORAD and the UN and thus provides no real vision of the future?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I cannot believe the hon. member made this assertion. I can only assume he has not read the white paper. As has been pointed out by the critic for the Reform Party, the white paper has been very well received.

As to the timing, we always said we would try to table the document before Christmas. We are cognizant of the fact that going into the holiday season people are preoccupied with other matters and we wanted to give Parliament and Canadians a good time to reflect on it.

Again the hon. member is indirectly reflecting on the work of the special joint committee on defence. I know his party had a dissenting report, but there were three other parties including a party not represented in the House officially, but represented in the Senate—which shall remain nameless—that all agreed with the report. We have taken the core of that report, almost all the recommendations, and we have embellished them. I believe that if the hon. member reads the document he will see it does set out a clear vision for defence policy in the 21st century.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, knowing that the development of any defence policy is really only possible when it is keyed to a clear foreign policy, how can the minister suggest and maintain that he has a clear vision of the future, when his white paper was tabled before the government even had the chance to announce the new thrust of its foreign policy?

• (1135)

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): It is true, Mr. Speaker, that defence policy is to some degree an instrument of foreign policy but not exclusively so. There are constitutional requirements made of the armed forces which do not fall into the foreign affairs category. The whole question of protecting Canada offshore, around its coasts, aid to the civil power, are domestic considerations to protect Canada's interest.

With respect to the substance of the question on why we have done this now as opposed to doing it jointly with a foreign policy report, the government felt that with all of the rapid changes, especially reductions, being faced by the armed forces we owed it to all those in the forces, both civilian and uniform personnel, to give some clear indication of where we are going as quickly as possible, but also to set in motion some of the equipment purchases for which we have a dramatic need.

The defence white paper and its security review coincide with the recommendations of the joint committee on foreign policy, the joint committee on defence policy and was developed in conjunction with my colleague, the Minister of Foreign Affairs, who is quite comfortable with it.

From the point of view of Canada's security policy we feel it is quite appropriate to table the document at this particular time.

* * *

HEALTH CARE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, my question is for the Acting Minister of Health.

The Reform Party is committed to ensuring that every Canadian citizen receive essential health care services in a timely fashion regardless of income. The presence of private medical clinics would allow this by decreasing waiting lists and decreasing pressure on the public system.

Why is the government exercising the archaic Canada Health Act and threatening to penalize Alberta for trying to provide better health care for all of its citizens?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, at the meeting of November 28 the Minister of Health advised that she would be providing a clarification of our interpretation of the Canada Health Act to all provinces in the very near future.

The minister has repeatedly maintained that the Canada health system is the best system in the world. The rest of the world envies our system. We invite the province of Alberta, like the other provinces are doing, to continue to protect and develop this wonderful system.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, we used to have the best health care system but tragically we do not any more. I hope no one in the House has to find that out.

Private clinics exist in Alberta, Ontario and the rest of the country. Why is the government threatening only Alberta for this by cutting transfer payments and not Ontario?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the minister has repeatedly stated in the House that a broad consensus exists on the need to regulate private clinics to ensure there are no financial barriers to access any necessary medical services, and the minister invites the Alberta government to do that.

* * *

[*Translation*]

NATIONAL DEFENCE

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the Minister of National Defence. In spite of the disastrous state of public finances, the Minister of National Defence has drawn up an extensive shopping list. Indeed, he wants to buy new armoured personnel carriers, new land helicopters, new remote controlled weapons, and even new submarines. Yet, the white paper tabled yesterday does not include any concrete measure to eliminate the waste of some $100 million disclosed by the Auditor General in his recent report.

How can the minister explain that his white paper totally ignores the Auditor General's recommendations and that his department still does not implement better management practices to cut spending and save money?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I do not think the hon. member has read the report.

The white paper talks about improvement of administrative practices, of saving money, of privatizing certain functions such as maintenance and things of that nature, all of which have been advocated by the Auditor General over the years. In addition, administrative measures have been announced recently that are ongoing and meet the Auditor General's requirements.

• (1140)

On the question the hon. member raises about a so–called shopping list, the fact is, and let us be frank about it, we are either in the defence business or we are not. If we are in the defence business we cannot have our armed forces personnel ill equipped. There is agreement both in the parliamentary committees and across the country that we have to equip our armed forces better.

In the case of the armoured personnel carriers I do not think there is any argument that these are justified. In the case of helicopters we always knew that the search and rescue helicopters would have to be replaced. It is a civilian role, not purely military.

As to the question of the helicopters on the ships that is something that was recommended by the special joint committee and something we can fully justify.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, how can the minister, who was described last week as the minister of waste by the Auditor General, justify that his white paper contains none of the Auditor General's recommendations, whether on the reserve army—which, incidentally, is the most costly in the world—, on the deplorable management of capital assets, or on the procurement programs of the defence department?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the only person who has ever called me the minister of waste is my wife and that has to do with the fact that I need to lose a few pounds. The running around we are doing in budget preparations and with the white paper will achieve that objective.

From cover to cover we talk about doing business differently in the armed forces. We talk about ending project management. We did in the last budget. We talk about buying equipment off the shelf. We talk about contracting out to the private sector a number of functions that are already being performed internally. We think we can do them much more cheaply. We have even mused about privatizing the operation and maintenance of the search and rescue function with Department of National Defence crews.

If the hon. member reads the report over the weekend I do not think he would ask this type of question on Monday.

* * *

CONFERENCE ON SECURITY AND CO–OPERATION

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Foreign Affairs.

The Prime Minister and the Minister of Foreign Affairs will be in Budapest next week to attend the Conference on Security and Co–Operation in Europe. What does Canada hope to accomplish at this summit, in particular concerning the crisis in the former Yugoslavia?

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, the purpose of the upcoming CSC summit in Budapest is to enhance security and respect for human rights in Europe.

Canada would also like the summit to broaden the CSC's capacity to prevent and resolve conflicts, notably by giving it the ability to establish or monitor peacekeeping operations. The conflict in former Yugoslavia, including recent events in the Bihac area of Bosnia will be of primary concern to the heads of state and government.

In support of an eventual comprehensive political settlement to the conflict, the summit could and should offer CSC expertise in areas such as human rights, elections monitoring, the protection of minorities, arms control, and confidence building measures.

Canada's voice at previous summits, conferences, and general meetings has always been listened to and highly respected.

* * *

HUMAN RIGHTS

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, my question is for the Minister of Justice and relates to a recent directive given by the Canadian Human Rights Commission to its tribunals.

Apparently they have been ordered to hear four complaints of discrimination on the basis of sexual orientation, three of which pertain to same sex spousal benefits.

Why has the minister allowed such a directive when the legislation to amend the act to include sexual orientation has not even been introduced in the House, never mind been approved by the will of the people? Is this just another example of ignoring the genuine concerns of Canadians, including some members of his own party?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member should understand that the human rights commission is an independent body which is not under the control or direction of the government or any minister thereof.

• (1145)

The commission is obligated by law to make up its own mind based on its own investigation and the exercise of its own independent judgment with respect to those matters to refer to tribunals for hearing. We would not want it any other way. There must be independence.

While she may ask me as the minister responsible to the House for the Human Rights Act and its administration to speak to matters of structure or of the human rights system, I do not direct the commission in what decisions to make or what matters to undertake in terms of hearings.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I thank the minister for that response. I do feel the minister has made it clear he is convinced that there is wide support for this issue.

I challenge the minister today, as he is unwilling to challenge the Human Rights Commission, will he not agree if he thinks there is so much support to allow a free vote on this issue so that the real will of the people on this issue can be expressed?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, that is a separate question and I understand it is separate. I am prepared to deal with that as a matter for which I am responsible, that is to say whether the Human Rights Act should be amended to add certain words. That is my responsibility.

We are dealing with commitments made by the Prime Minister and by me, not so much based on polling for support but based on principles and what is right, on fundamental justice.

The amendment which is under discussion has to do with adding sexual orientation as a ground on which discrimination is prohibited. I would have thought that on that principle, that is to say whether discrimination should be prohibited against somebody only on the basis of their sexual orientation, there is not much debate.

On the subsidiary questions, separate questions, of whether there should be same sex benefits or whether there should be this or that form of marriage, those are entirely separate. We are not proposing any amendments to deal with those. We are talking about discrimination and it is on that issue I would have thought there is not a great deal of controversy.

* * *

[*Translation*]

NATIONAL DEFENCE

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Minister of National Defence. The minister's new procurement policy, which consists in buying equipment already operational and available on the world market, will have harmful consequences on the Canadian defence industry.

In his white paper tabled yesterday, the minister recognizes that it is vital to promote defence conversion, but no concrete solutions are proposed.

How can the minister explain that his white paper does not contain any concrete initiatives on defence conversion, given the clear commitment made in the red book?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, my colleague, the Minister of Industry, will talk perhaps on a supplementary on the matter dealing with conversion specifically as announced in the white paper.

With respect to the capital purchases that we have announced, we do have in Canada the capacity to build armoured personnel carriers. One company has served the Canadian and foreign markets quite well, the General Motors diesel division in London, Ontario. Many components are built across the country including in the member's home province of Quebec.

In terms of the helicopters, I have to emphasize that while this could in all likelihood come from external sources, much of the work with respect to avionics, electronics and integrated systems probably would all be done in Canada because anybody who wants to sell to a country like Canada equipment of such cost knows that it is in the best interest of being competitive to source a lot of that work in Canada. I do believe that the equipment purchases will not have the effect the hon. member says.

Finally, with respect to the submarines, I covered that yesterday. This is simply a matter of exploring whether this is a good deal for Canada. That question will be looked at very carefully before a decision is taken.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, obviously the minister did not answer my question. I hope his wife will remind him of that.

• (1150)

Does the minister not realize that the existing defence material program, DIPP, of which only a part concerns defence conversion, is clearly insufficient, and that he must show leadership with his colleagues from Industry and Public Works to implement a true conversion strategy for that industry?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as always, it is very hard to figure out what the Bloc wants.

First, one member tells us not to buy military equipment because it is a waste, and then one of his colleagues says that we must save the defence industry.

[*English*]

It is always a little hard for me to understand quite where this party is coming from. Its two wings do not always beat at the same pace.

The fundamental issue that we need to deal with is the use of the existing program DIPP as a defence conversion program. As the hon. member knows, of the 41 applications approved by this government under DIPP so far 39 have been for civilian or dual use purposes. Clearly that has been the key tool in assisting industries in their defence conversion.

More important, and I have said this repeatedly and I hope other members understand how important this is, the government's strategy in helping the Canadian industries in all sectors is not to throw money at them. It is to provide them with the strategic advice and assistance that will enable them to be competitive in the world markets. That is the key to their success.

* * *

AGRICULTURE

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, this week marks the end of the 30–day discussion period between the U.S. and Canada on proposals made by the U.S. department of agriculture that all Canadian grain shipments to the United States must go to a feed lot, a feed mill or an end user and require an end user certificate.

What have we heard from the minister of agriculture on this issue? Silence.

My question to the minister is what action has the minister taken on this issue which is a direct violation of the August 1 Canada–U.S. grain pact on wheat which specified that neither country would introduce any new trade restricting measures until the deal's one–year term ended?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, to the member across the way, he should get his facts straight. The United States has not yet made its decision on whether it is going to put end use certificates in place.

We have expressed to the United States our views on that. It knows our views and we will await its action as far as end use certificates.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, as I expected, the minister has done absolutely nothing on this issue. The United States has not made the decision yet therefore it is not urgent.

Why has the government done nothing? I would expect that the reason is that it could be wanting to protect the Canadian Wheat Board at the expense of farmers. For the Canadian Wheat Board end user certificates only involve slight inconvenience, while for the farmers it will put an end to their market in the United States.

Why has the minister once again chosen to avoid the real issue which is reform of the Canadian Wheat Board, a change which he has acknowledged farmers want, by letting American foreign policy solve the problems for him here at home?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, I again remind the hon. member that the United States has not yet made the decision that he would obviously like it to make. It should be pointed out that he has made that assumption and western wheat growers and farmers should note that.

I repeat, the Canadian government and the minister have made our views very clear to the United States as far as how we would view its imposition of end use certificates. That discussion will continue and we will await its reaction to our views.

* * *

[*Translation*]

INCOME TAX

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, many Canadians are concerned about the tax loopholes which make it possible for the rich to invest in order to avoid paying taxes.

• (1155)

[*English*]

My question is for the Minister of National Revenue. Can the minister tell my constituents what he is doing to ensure that all Canadians pay their fair share of taxes?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I would like to thank the hon. member for his concern on this very important issue.

The Minister of Finance and I issued yesterday a press release outlining changes to the tax system that will plug loopholes with respect to tax shelters. We are particularly concerned that there are many people who are taking advantage of what were originally set up as legitimate opportunities in high risk areas. They are now taking these opportunities simply to avoid paying taxes.

For example, we have uncovered tax shelters where no business activity was being undertaken and the only thing the individual received in return for their investment was a brochure; that is, the only thing other than a tax benefit of substantial proportions.

We will continue to make sure that the tax system is fair for Canadians and we will make changes as necessary to make sure that all Canadians pay their fair share.

* * *

[*Translation*]

DEFENCE POLICY

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, in his white paper the defence minister claims that he is going to save $7 billion over the next five years. Yet the minister is planning to buy numerous helicopters, submarines and a good deal more. In short, the Department of National Defence is embarking on an unjustified equipment purchase program which will be the source of additional waste.

Since today's international context does not justify new capital expenditures, how can the defence minister explain, in view of the present fiscal restraints, the planned purchases listed in his white paper?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, there has always been in the capital program of national defence spanning a 15-year period the need to replace certain types of equipment. Those allocations were made.

Over the last number of budgets, including those of the former government, $21 billion has been cut off the projected expenditures for national defence, including a lot of the capital program.

We announced yesterday that we will be cutting $15 billion out of the capital program over the next 15 years for planning purposes. With respect to helicopters, I am surprised that the hon. member would make the assertion that we do not need to replace helicopters when he knows that the Sea Kings and the Labradors are coming to the end of their life.

Even if he does not agree that our state of the art ships and our refurbished destroyers should not have combat helicopters on board, surely he, from a province that has a coastline and uses the search and rescue facility, has to agree that the Government of Canada will be committing a grievous error if we did not make provision for new equipment even on the search and rescue end which is purely civilian.

JUSTICE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Ian John Hutton has been serving a life sentence for murder at the Archibald Centre halfway house in Vaughan, Ontario.

He failed to return to the facility on November 28 and a Canada-wide warrant has been issued for him. Can the Solicitor General explain why a murderer who is classified on CPIC as being violent and an escape risk is serving time at a halfway house?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I will be happy to get the fullest possible information on this and give it directly to the hon. member. She has raised a serious question.

* * *

EMPLOYMENT

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, it is great news for all Canadians when more and more working men and women find meaningful employment in this country.

The number of Canadians unemployed is still too high but it is below 10 per cent for the first time in several years in Canada.

In examining the employment figures, has the secretary of state for finance a breakdown of the numbers and has he determined how many of the new jobs are worthwhile, rewarding and full time jobs as opposed to part time jobs?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, that is good news for Canada. This raises to over 400,000 the number of new jobs that have been created in this country this year alone. All these jobs are full time jobs. Indeed, last month there was a growth in employment of some 95,000 new jobs. All those were full time jobs. There was an actual drop in part time employment.

• (1200)

I remind this House that a Prime Minister of a previous government said we would not get the unemployment rate below 10 per cent this decade. The Liberal government brings in next decade's unemployment levels this year.

ROUTINE PROCEEDINGS

[*English*]

HIBERNIA

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, yesterday in question period dealing with questions on Hibernia there was a request to table the report of the Canada—Newfoundland Offshore Petroleum Board.

I have the pleasure to deliver, in both official languages, the report as well as, in both official languages, a copy of all the contracts that have been given to the province of Quebec in relation to the Hibernia project.

* * *

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (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 certain petitions.

* * *

PETITIONS

SENIORS

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, pursuant to Standing Order 36, this petition comes from the Association féminine d'action sociale du Québec. It is signed by 437 petitioners.

They urge Parliament to press the government not to go ahead with its voice mail project for the elderly.

[*English*]

EMPLOYMENT

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I wish to draw to the attention of the House a petition signed by residents of the regions of St. Mary's, The Capes and Whitbourne area in the province of Newfoundland in the riding of St. John's West. I fully support this petition which reads as follows.

"We the undersigned residents of the province of Newfoundland draw the attention of the House to the following: That there is a severe unemployment problem in this area of our province causing great hardship to many residents. Therefore, your petitioners call upon Parliament to provide emergency response funding to provide employment in the short term to alleviate this hardship".

ASSISTED SUICIDE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is my pleasure to introduce three petitions today. The first one asks Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously. I support that petition.

HUMAN RIGHTS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the second petition prays and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality. I agree with that petition as well.

PRICE CONTROLS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, this is the first time I have presented a petition of this sort. In the third petition, 70 petitioners from across Canada ask the present government to institute price controls to include housing rental, hydro, heating, food, phone, UIC, et cetera.

I understand their motive, but I do question the reasonability of that particular petition. I am happy to present it on their behalf.

ASSISTED SUICIDE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, it is my pleasure to present to Parliament a petition signed by 130 people in the Red Deer and surrounding area.

My constituents express their grave concerns with section 241 of the Criminal Code and the issue of assisted suicide and euthanasia.

• (1205)

The petitioners humbly pray that Parliament not repeal or amend section 241 of the Criminal Code in any way to uphold the Supreme Court of Canada decision of September 30, 1993, to disallow assisted suicide or euthanasia.

GUN CONTROL

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I am pleased to present a petition from persons all across the province of British Columbia containing 196 signatures. The petitioners request that Parliament refuse to accept the hon. Minister of Justice's anti–firearms proposals and insist that he bring forth legislation to convict and punish criminals rather than persecute the innocent.

RIGHTS OF THE UNBORN

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36 I too would like to present three petitions on behalf of my constituents.

The first one is that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

HUMAN RIGHTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): The second petition, Mr. Speaker, requests that Parliament not amend the human rights code, the Canadian Human Rights Act, or the charter of rights in any way which would indicate societal approval of same sex relationships.

ASSISTED SUICIDE

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, the third petition asks that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously.

RIDING MOUNTAIN NATIONAL PARK

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I am honoured to present three petitions today on behalf of my constituents of Dauphin—Swan River.

The first petition containing 451 signatures is from the RMs and towns of Grandview and Gilbert Plains calling upon Parliament to urge the government to take action on construction of an all–weather gravel road through the west end of the Riding Mountain National Park. This road connects the communities of Grandview, which is my home town, and Rossburn and contributes to stimulating a stagnating agricultural economy by promoting trade, tourism, social and cultural exchanges.

ASSISTED SUICIDE

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, the second petition has 138 signatures. It is asking, first, that Parliament continues to reject euthanasia and physician assisted suicide; second, that the present provisions of section 241 of the Criminal Code of Canada which forbids the counselling, procuring, aiding or abetting of a person to commit suicide be enforced vigorously, and, third, that Parliament consider expanding palliative care that would be accessible to all dying persons in Canada.

RIDING MOUNTAIN NATIONAL PARK

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): The third petition, Mr. Speaker, has 350 signatures. It draws the attention of the House of Commons to the following. There is a remarkable increase in beaver numbers in the Riding Mountain National Park. These beaver are causing extensive damage to land which is located near the park.

My constituents ask this Parliament to urge the government to take action toward developing beaver control methods within the Riding Mountain National Park.

GUN CONTROL

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, pursuant to Standing Order 36 I have the honour to present a petition from Little Britain, Ontario, constituents of mine in Cavan, Ontario, and Port Parry, Bowmanville and Oshawa.

It requests the government not to enact any further firearms control regulations or legislation or orders in council.

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask that all questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Shall all questions stand?

Some hon. members: Agreed.

Mr. Boudria: Mr. Speaker, having completed the bill that was before the House this morning, I think you would find unanimous consent that we now call it 2.30 p.m.

The Acting Speaker (Mr. Kilger): The House has heard the suggestion of the chief government whip. Is it agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): It being 2.30 p.m, the House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24.

(The House adjourned at 12.11 p.m.)

HOUSE OF COMMONS

Monday, December 5, 1994

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

STUDENT LOANS

The House resumed from October 21 consideration of the motion and of the amendment.

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, I am pleased to be able to join in the debate this morning on the important subject of Canada's post–secondary education system. I commend the leader of the Reform Party for having taken the initiative to place the issue of federal support for our colleges and universities on the parliamentary agenda, as he did last spring, and for his suggestions regarding the concept of income contingent repayment or ICR of student loans.

I believe this debate is helping members of the House gain insights into the importance of higher education to our country's future and how the federal government can work with the provinces to assist our colleges and universities. Since this motion was introduced last spring, however, there have been several important developments.

First, the government moved the new Canada Student Financial Assistance Act, which is known as Bill C–28, through Parliament to receive royal assent. The new legislation, which provides the framework for reforming the Canada student loans program, will be proclaimed in 1995. The new act provides the flexibility to implement the ICR pilot projects with interested provinces. This possibility is being pursued as a means of learning more about how an ICR scheme might be designed to meet Canadian conditions.

The government has moved quickly to implement its students' assistance reforms by increasing assistance for those students who need it the most. In August of this year the full time Canada student loan limit was increased from $105 per week to $165 per week and the limit on part time loans was raised from $2,500 to $4,000.

Over the next five years the changes already announced to our existing student assistance program will provide $6 billion in loans, which is over $2 billion more than during the last five years. The reforms include not only higher loan limits but special grants for students with disabilities, part time students and women in certain fields of study at the PhD level.

In addition to the reforms already under way in the area of student assistance, the government has demonstrated its keen interest in the future of post–secondary education by informing Canadians about federal assistance to the post–secondary system and putting forward an innovative approach for discussion.

The social security green paper provides two options for the future of established programs financing arrangements for post–secondary education. Under the first, total transfers would be frozen at the 1993–94 level starting in 1996–97. The result would be that as the tax portion of the transfer grows with the economy, the cash transfers will decline correspondingly, disappearing altogether within about ten years' time.

On the other hand, if we have an opportunity, we could transfer the declining cash into a sustainable system of loans and grants. These new loans could be based on the concept of income contingent repayment. For those who enjoy relatively high income after their studies, the rate of repayment would be rapid. Those who experience periods of low income would repay only when they were in a position to do so. The repayment would adjust automatically to income, thus reflecting the ability to pay rather than the amount borrowed. Those of us in riding offices know a lot about that.

We are discussing this concept with interest groups and provinces, examining how such a system might work in Canada. The government is guided by the principle of equality and at the same time the belief that those who benefit from post–secondary education have a responsibility to pay a fair share of the costs of their education.

We believe that every Canadian has the right to an equal opportunity in the workplace and in the classroom, consistent with the ability to do the job or handle the course work. At the same time, government resources are very limited and must be directed to those who need help to help themselves. It is true that students are often needy while they are in post–secondary

education, but thereafter their employment prospects and incomes usually improve dramatically. On average, post–secondary graduates earn 40 per cent more than the general workforce over their careers.

Once graduates begin to reap the benefits of higher education it seems reasonable that they should pay back part of the costs which society has invested in them. We are proposing that students take on a greater share of the costs of their education. We are asking them to invest in themselves. This is the option we want to discuss with Canadians.

The potential advantages of income contingent repayment or ICR have been widely discussed in recent years and several countries, including Australia and New Zealand, have moved to introduce ICR schemes. Clearly, in making his original motion, the hon. member concluded that ICR could be an important tool in assisting students in financing their education.

An ICR loan program would be fairer and less risky for students. Payments would be geared to income. If a year's earnings fell below a certain level, repayment of the loan could be suspended.

• (1110)

ICR has the potential of making loans available to all students without the means testing used in current student loans programs. If the government was not paying the interest on the loans while the students were still in school, there would be no need to limit eligibility.

The ICR concept, as it could apply, is currently being explored. The specific design would have to be tailored to reflect the Canadian environment. The government is undertaking work in this area in consultation with various student and other interest groups and will involve the provinces fully in such consultations.

We believe that ICR loans have a role to play in helping to maintain a high quality system of post–secondary education through the provision of a sustainable source of funding.

As I have indicated, the discussion paper on social security reform suggests a new approach to how the federal government might transform its decline in cash transfers into a sustainable system of income contingent loans and grants. This represents an innovative approach to dealing with the challenges ahead. The idea is receiving considerable support and the option deserves consideration.

To successfully face the challenges of the future, Canada needs well–educated young people and citizens who will continue to learn throughout their lives. The government is seeking ways to help Canadians achieve their learning goals through improved access to higher education.

As part of our social security reforms, we must enable Canadians to develop the tools they need to become productive and self–sufficient members of society. Our objectives must remain consistent with the Canadian value of fairness and generosity to those in difficulty while recognizing that governments have limited resources. Quite simply, we must help people to help themselves.

The government is listening to Canadians. We have put post–secondary education high on our list of priorities through reforms to the existing student assistance program and proposals in the social security reform paper.

The standing committee has already started its consultations from coast to coast and many members are conducting forums on social security reform in their own constituencies.

We look forward to hearing from Canadians in all walks of life.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, as someone who has spent the best years of his professional career working as a teacher, guidance counsellor and school principal at the secondary level, I welcome this opportunity to take part in the debate on motion M–291, introduced by the Reform Party. The purpose of this motion is, basically, to amend the Canada Student Financial Assistance Act to include a loan repayment system that would take into account the employment income of students after they have finished their education.

At first glance, we might think this measure would be to the students' advantage. It seems reasonable to adjust the terms of repayment to the income of the person who contracted the loan. However, when we look at what the Reform Party has in mind with this motion, our support for this proposal quickly disappears as it becomes clear there is no benefit in this for students. The objective is clear:

> reduce the cost to taxpayers of financing post–secondary education by reducing the number and dollar amounts of loans defaulted upon, by charging accumulated interest, rather than simple interest on default loans, and by reducing the number and dollar amounts of collection fees for defaulted loans.

The Reform Party's first objective seems to be based on the false premise that former students do not repay their loans because they do not feel like it. There is a tendency here to forget the economic problems facing young people today. Even for those with a university degree, the unemployment rate is close to 15 per cent. And there is also the troubling fact that many university and college graduates are underemployed and, as a result, underpaid.

In addition to the Reform Party's failure to realize that such situations exist, it is clear that if we want to reduce the cost of education for the taxpayer, someone will have to pick up the slack and pay the bill, and obviously, that onus will now be on the students.

• (1115)

This point of view is short–sighted on several accounts. First, it ignores the social situation of a great number of students. Second, it does not take into account the significant changes in lifestyle of every class of society. Today's students are the product of what is known as the consumer society which, as a social model, constitutes the basis of our western economies. How could we confine our young people to a ghetto and believe that they will take part in mass consumption only when they graduate?

A recent survey conducted in Quebec shows that high school students spend one billion dollars a year. This means that half the students in their last year of high school are working part–time. Nobody will deny the impact of this new reality on school results, but we must accommodate these new needs. We created them from scratch and ubiquitous advertising fuels them.

Transferring greater financial responsibilities to post–secondary students will only increase the tendency of students to go to school and hold a paid job at the same time. Faced with increased tuition fees resulting from the government's so–called social program reform, and the Reform Party's intentions, as described in motion M–291, students will react quite normally by trying to increase the number of hours they spend on the labour market, in order to limit as much as possible the need to borrow money. The consequences will be disastrous: time spent studying will diminish, the failure rate will go up, courses and even whole years will have to be repeated, resulting in increased costs for the governments subsidizing education. Basically, it is a vicious circle.

Transferring heavier financial responsibilities to students in such a manner is short–sighted for another reason. It ignores the fact that with the globalization of the economy, the quality of human resources is the key to competitiveness. It is by taking advantage of knowledge, research and development that Canadian and Quebec businesses will be able to penetrate a trade arena with no borders and maybe no rules.

Any increase in the financial burden of post–secondary students flies in the face of this universal reality. Instead of limiting access to higher education, as the Liberals and the Reformers are planning to do, we should do the exact opposite. That is a major reason for not supporting Motion M–291, a motion which, by its objectives, is anachronistic.

The third objective of the Reform motion also reveals the fallacious nature of their project. It reads as follows: "ensure that post–secondary institutions in Canada receive the funding necessary to maintain the high quality of services they presently provide".

This is not very subtle! This objective acknowledges that students, by bearing a larger part of the cost of their education, will contribute to generate resources for universities and colleges. Moving in that direction is refusing to recognize that knowledge and know–how are the keys to any modern economy. In this regard we should stress the vision of the Quebec Premier who announced last week, in his speech from the Throne, that he was freezing university tuition fees and removing the failure tax at college level. This is the direction to follow if we want to be able to compete with our trading partners under NAFTA and the Uruguay Round.

We sense that the government as well as Reformers are doing their best to gradually withdraw from the area of education. We, of the Bloc Quebecois, believe that the federal government must withdraw entirely from that area of provincial jurisdiction, an area that it invaded not to serve the interests of the people, but to enslave, to dominate and to impose its national standards on the provinces. By withdrawing from that field, the federal government could transfer tax points to the provinces. They would then be in a better position to deliver to their people education services geared to their needs and realities.

• (1120)

In so doing, the federal government would go beyond speeches and do something concrete to reduce the duplication of services delivered by both levels of government. However, to act in that direction would require great discernment and common sense.

These ingredients do not seem to be on sale in the federalist supermarket. To conclude, I urge all members who still care about the future to vote against motion M–291, a dangerous and anachronistic motion because of the objectives its seeks to achieve.

[*English*]

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I am pleased to rise today to lead this debate for my party.

This motion is about Canada's future. It is about the future because it is about education. Education is the key to the future for Canada's young people.

I have spent virtually all my adult life in the teaching profession. Conveying knowledge to our young people was for me a most rewarding vocation. We must ensure the future of our educational system in Canada, and part of that is ensuring that as many students as possible can take part in it.

As literacy critic for my party, I recognize what happens if people do not take advantage of our education system when they are young. If you do not learn to read and write when you are young, you are going to have to learn when you are older through the various literacy programs sponsored by communities across Canada.

Reading and writing are learned either young or old but have to be learned at some point if one wants to become a fully functioning member of society. That is why it is so important

that everyone who wishes has access to education at every level of our school system.

Years ago, back in the 1950s, 1960s and 1970s, I believe we thought we had licked the access problem for education and if we had proceeded with balanced budgets from the 1970s through until today, I suppose we could have been right. However with the advent of budgetary deficits and the recession from which we are desperately trying to emerge, access to education has been called into question.

It has been called into question by two groups, the students and by us, the politicians representing the people of Canada. Students are concerned that through the Canada student loan program they will receive insufficient funds to allow them to attend university without worry.

At the same time because of the repayment scheme attached to these loans, students are concerned they will emerge at the end of their university careers with a huge debt which they are unable to discharge in the amounts and in the time required.

The repayment problem for student loans is alarming. At present one in five borrowers is in default on their student loan. About two–thirds of these eventually repay but only after the federal government assumes the debt from the bank and has launched some form of collection activity.

The other third, about 7 per cent of all student loans, are never repaid and become simply bad debts. In all, we are talking about $1 billion in bad loans, money the treasury may never see.

That is why the Reform Party felt it important to look at the whole scheme of financing again; look at it with a view to making it easier to fund a student's education, making it easier for the student to repay and therefore making it easier on the country's finances because the loans would eventually be repaid, perhaps with lesser amounts, but repaid nevertheless.

Let me explain how the Reform Party's income contingent loan repayment program will work. It is designed to allow students to pay back their student loans over a period of time based on their annual income after leaving university. The concept is funded on two fundamental principles, the full use of the income tax machinery in monitoring and collecting student loans, and the implementation of an income contingency principle whereby students pay back a set percentage of their income.

Upon graduation a student would begin to pay back their student loan. There is no eight–month delay period as there is presently. The repayment of the loan however would link the repayment plan to a student's earnings or ability to pay. Precisely how much a former student pays back would vary from year to year depending on his or her salary level.

A specific amount set as a percentage of income would be paid through the tax system. If a person's income does not reach a specified minimum amount, the payment would be deferred until earnings go up. This repayment system, however, depends on the supply of accurate income statements long after the individual has left the institution of higher education.

Revenue Canada could therefore supply the necessary data automatically and cheaply through income tax statements. This would necessitate the recording of student borrowers with the tax department and the inclusion of social insurance numbers on student loan forms.

With the possession of the full details of most students changing future incomes and geographic locations, the income tax authorities could then act as the primary monitor subsequent to loan collection.

I do not believe the use of SIN numbers in this context should be objected to. The end result of a more equitable loan scheme justifies this requirement.

• (1125)

We in the Reform Party like the idea of income contingent loans for three basic reasons, the first being the reduced cost to the taxpayer. Under the current Canada student loans program taxpayers end up footing the bill for defaulted loans. The difference between the simple interest paid by borrowers and the accumulated interest paid by the government and the collection fees charged on defaulted loans is charged to the taxpayer.

Two, there would be greater flexibility and fairness for students under the program. Under the Canada student loan program borrowers and taxpayers are discriminated against and repayment terms are onerous and rigid. The current program discriminates against borrowers in two ways. First, it discriminates against the poor and unemployed by forcing them to pay back their loans at the same rate and at the same level as those who are gainfully employed and who can afford to pay off their loans. Second, the prospective borrowers are discriminated against on the basis of their parents' or partners' income potential through means tests.

This often means that students whose parents are well off are ineligible for student loans even if they receive no assistance from these same parents. Low income taxpayers are especially discriminated against, as they are less apt to send their children to university.

The burden falls especially on those who pay taxes but do not use post–secondary education services. By 1990 two–thirds of the adult population did not possess post–secondary credentials. In other words, under the Canada student loan plan the poor or

those without university education as the case may be have been subsidizing the rich.

The repayment plan is inflexible because it forces former students to begin repaying their loan only eight months after graduation irrespective of their income. The income contingency plan in contrast involves no burden of debt that must be repaid unconditionally. Repayment falls only on the prosperous; that is, upon those persons who graduate and earn income at or above the given level.

Three, the maintenance of high quality educational services. The government is broke. As such both federal and provincial jurisdictions are grappling with the problem of how to finance post–secondary education. The financial pressure on higher education through reduced public funding has been inevitable in an era of growing deficits, high taxation and the increasing competition of health, environment and other lobbies for a greater share of public spending.

As governments contribute less and less funding and costs increase at the same time the quality of education has and will continue to decline. The bottom line is that governments can no longer finance post–secondary education at a declining level and expect the quality of the service to remain constant.

One cannot increase tuition and other fees charged to students without making the cost of a university education more and more prohibitive under the current system. If students were to be permitted to repay their loans on an income contingent basis over a longer period of time if necessary tuition fees as a percentage of the total contribution to post–secondary financing could easily be increased. This would ensure that the quality of educational services would remain strong and that those who benefit most from the system are those who contribute their fair share.

The position taken on this subject by the academic world is heartening. Mr. Clark Lajeunesse, president of the Association of Universities and Colleges of Canada stated the current student loan program is outdated as it does not meet students' needs and it does not meet university needs either.

The income contingent repayment loan is seen by universities as allowing them to maintain accessibility and qualify by making more effective use of tuition fees.

Under the ICR program universities can be more realistic about the cost of the programs that they offer. Some fees might increase for high cost programs while other fees might decrease for low cost programs. While some student groups have expressed concern that such a method of financing education could lead to higher tuition fees, other students and student organizations have expressed support.

The Ontario Undergraduate Student Alliance believes that ICR holds promise for protecting accessibility to and the quality of post–secondary education. The most important matter for this group is not so much that costs may increase marginally but that the education received by students be worth something. The key to the ICR program for this Ontario group is that it is never an unmanageable debt load.

I believe we should now look seriously at changing the method by which university education in Canada is financed, especially the financing available for students. The proposal from the leader of the Reform Party represents a scheme which is fair and equitable to students but is also inexpensive to administer. I would urge all members of the House to support this motion.

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, I am pleased to rise today in response to the member's Motion No. M–291 and make some comments about the financing of post–secondary education using an income contingent repayment plan. I would like to offer some comments on investment in post–secondary education.

• (1130)

All of us recognize that the income contingent repayment principle is intended to facilitate investment by individuals in their own future. It therefore offers a way for public policy to foster what the social security reform discussion paper calls mutual responsibility, governments helping people to help themselves.

Canadians collectively make a greater investment in learning than practically anyone else in the world. Few industrialized countries spend more of their gross domestic product on education than we do. No country spends more than the 2.6 per cent of GDP that we spend every year on post–secondary education. This represents $16 billion per year, nearly 80 per cent of which comes from taxpayers through federal and provincial support.

Indeed our public investment in post–secondary education is also the highest in the OECD countries measured in relation to our overall economic activity. The result is some of the best and most accessible post–secondary education in the world.

We have in relative terms more adults with post–secondary qualifications than many other countries and we have more people enrolled at any given time. There are currently nearly one million full time post–secondary students in Canada, about 70 per cent in universities and the rest in colleges and institutes of technology. Because of its shorter duration programs the college level actually produces more graduates than the university sector. Both of course make equally essential contributions to individual opportunity and national development.

In addition to the full time students there are also hundreds of thousands of students enrolled in part time programs. Still more take short courses, specialized training and other learning opportunities. Indeed, one in every four adult Canadians is engaged in a learning activity in any given year, an increase of

about 20 per cent during the last decade. Canadians understand the importance of investing both time and money, public and private, in learning to adapt to new challenges and opportunities.

A recent survey by EKOS Associates showed that some 25 per cent of the adult workforce are keen to improve their qualifications and move up to better jobs through their own efforts. These so–called bootstrappers are prepared to work hard at self improvement and self investment. They typically have adult responsibilities, modest incomes and limited opportunities for learning on the job. Their learning needs are widely divergent and may range from literacy training to advanced education or technical training.

Despite our record in creating across Canada an excellent and accessible post–secondary education system, many of these people still have great difficulty in finding the optimum combination of time and money in order that they can participate. There are no easy solutions but we need to ask ourselves how we can improve this situation.

The social security reform discussion paper therefore raises two basic questions about federal investment in post–secondary education. How can we help to ensure long term stable and sustainable support for post–secondary education in a context of increasing financial restraints by all governments? How can we at the same time not only maintain our accomplishments in making post–secondary education accessible but broaden and expand that access to more people?

The social security paper outlines two options for future federal support of post–secondary education. Under the first option the current established program funding for post–secondary education transfer arrangements would be maintained. The total amount would be fixed at the 1993–94 level in keeping with the government's restraint on transfers announced in the 1994 budget. With total entitlements thus restrained but the tax portion of the transfers growing with the economy, the cash transfer portion would decline correspondingly.

• (1135)

In 1996–97, the first year of any new arrangements, tax transfers are projected to be about $4 billion and cash to be about $2 billion for a total of just over $6 billion. While this total remains fixed, the tax portion is projected to reach $5 billion by the year 2001, meaning that the cash will be automatically reduced to about $1 billion at that point.

Finally, about 10 years after the new arrangement starts the value of the tax transfer would exceed $6 billion and the cash transfer would be virtually zero. The federal government would no longer provide cash support to provinces for post–secondary education.

We think there is a better way to invest the available cash. Instead of just letting it dwindle away to nothing, the green paper suggests using it to create a new $2 billion per year loan scheme on income contingent repayment principles. This would help students to meet the rising cost of tuition and thereby contribute an increasing portion of the cost of post–secondary education. It would thus help to ensure both the availability of high quality relevant opportunities for higher education and career training, but also their affordability.

The ICR principle as other hon. members have pointed out can ensure that an individual's payments on student loans do not become unmanageable. In a sense the income contingent repayment plan means sharing the risk between government and the individual, guaranteeing that payments will adjust automatically to income and therefore to ability to pay.

This second option would provide support to the post–secondary education system in two ways: first through a permanent and growing endowment of tax points that provinces can use to help finance their grants to colleges and universities, and second through loans that enable students to contribute to their own education.

Over the 10 year period beginning in 1996–97 the first option of the continuing current arrangements would provide a total of just over $60 billion to the post–secondary system. By contrast the second option would provide around $70 billion in tax transfers and loans over the same period. That is a difference of $10 billion in favour of the alternative approach.

This approach depends on the creation of a new student loan system that would ensure affordable payments for borrowers as well as simple and efficient means of repayment that would avoid problems of default. The scheme must be both fair and efficient.

The income contingent repayment approach properly designed could offer an answer to this need. The government is consulting interested groups about the specifics of design and welcomes their input to the process.

The options in the green paper for enhancing our national investment in post–secondary education are proposals, not decisions. The government is looking forward to reviewing these ideas in light of the many valuable comments and alternative proposals now being put forward. Not the least of these will be the suggestions of members of this House offered through the current debate.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, it is with pleasure that I speak on the motion put forth by the Reform Party, but it is with no pleasure that I read and consider it. It

seems to me that much of this motion is contrary to the principles young people have been given for many years.

If you take a look at what is underlying this motion, because there are the words of the motion but there is a lot more to these words, to what lies under all this. Reference is made to reducing the number and dollar amounts of loans. We understand that the intent is to recover a larger part of the defaulted loans that are presently difficult to recover and that we should be shifting toward a university tax situation.

• (1140)

This smooths the way for what follows: to ensure that post–secondary institutions receive all the funding necessary, while the goal—as previous Reform speakers have conceded—is to reduce the cost of education to taxpayers. So, if the necessary funding is to be maintained while you reduce the cost to taxpayers, of course someone else's costs will have to go up.

Whose costs? Probably the students'. They are told: "Your costs will increase but you will be able to repay based on a fixed percentage of your income—what is commonly called university tax, or post–graduate tax, among students". We are told that this is a good idea, one that was always considered in academic circles as potentially interesting—a post–graduate tax— but not as part of a system that doubles their indebtedness.

In that sense, I fail to see the difference between the Reform motion and the social program reform proposed by the HRD minister, who is basically suggesting the same thing. He is not as direct, though. Perhaps the one thing that can be said to their credit is that the Reformers are more direct. The documents tabled by the Minister of Human Resources Development talk about cuts in cash transfer payments to the provinces—this will amount to $324 million for Quebec—as well as cuts in income tax points—over $700 million—which will have the direct effect of increasing students' indebtedness and doubling tuition fees.

I now want to come back to indebtedness from a student's perspective. I was one myself not so long ago and I have been fortunate in that I have a good job and have been able to repay my student loans. I am very proud of having been raised in a good, accessible education system. I am one of those who first saw tuition fees rise every year and those who followed me have seen them rise even more because of subtle cuts in cash transfers.

How can we hope for a competitive, highly qualified labour force ready to take up challenges, when our young people look at the labour market with little hope while we encourage them to increase their debt load for their own good? Well, that is a major problem.

Why not give them a chance to get through the system and then increase their contribution? I think this would be a better approach that will ensure greater access. Is this the new system you are proposing for something that has always been a top priority in this country? Is this the new alternative you will try to sell Quebecers when the time comes to make collective choices? Is that the system you want to give us?

Both Liberals and Reformers see eye to eye on this. The third part of the motion would ensure that post–secondary institutions in Canada receive the funding necessary. I told my colleagues: "They have the wrong level of government; they should ask their provincial legislatures". Education is not an area of federal jurisdiction; our Constitution clearly stipulates that it comes under provincial jurisdiction.

But they always find a way. Liberal and Reform members would like to campaign on improving the education system because it is a priority for people. They do not have the courage to tell them that it is in provincial jurisdiction and explain power sharing under the present system to them. This leads to a lot of confusion and debt. Let this be a warning to this government.

There is no question of letting them meddle in education. It makes no sense. They will not repeat on a large scale with education what they are doing with occupational training. We should not let them. This paragraph about ensuring that educational institutions receive the necessary funding is not the federal government's role. So far, the federal government's only role has been to provide funds for the provinces, which reinvested them as they wished, and if this government wanted to be consistent, it would let the provinces that so desire collect these funds themselves by giving them the tax points or achieving their objectives like reforming the sales tax.

Why not take the opportunity to see how the provinces could do it themselves and at the same time ensure that they have the necessary funds so that they would no longer need to constantly ask the federal government, which always wants to centralize more with a cumbersome bureaucracy that always wants to meddle and control more?

• (1145)

It has been a long time since the government—in fact it probably never happened—downsized its operations and made real transfers to the provinces.

Let us take a look at the situation of students. Quebecers and Canadians in general often live far from educational institutions. In order to pursue studies at the university of college level, students often have to leave their place of permanent residence. Not always, but very often. It was the case for me. Except for those enrolled in a few training programs, every university student from my region of Timiskaming or from Abitibi—Timiskaming must move to some large centre.

Obviously, we could provide more university programs in the regions and that would be a good thing, but it will always be necessary to go somewhere else to get specific training. This means that students will have to pay for rent and other expenses. There are certain related benefits in that these students develop a certain independence; they learn to become part of society and they gain a greater autonomy. However, there are related costs

which, traditionally, had been partly met by society, through loan and bursary programs.

However, for the last ten years or so, the proportion of loans and bursaries has been reversed. Greater emphasis is put on loans now, since it costs students more to pursue studies. The user pay principle is being implemented in the field of education; yet, education is really a collective good in that everyone can benefit from it.

Now the government wants to restrict that access in a very underhanded manner. Attending university can cost around $10,000 for a student from my region. Increasing, if not doubling tuition fees would translate into an additional $2,000 per year for every student enrolled in a university program. Let us not forget that, since many students must already work part–time to pay for their studies, very few manage to complete their program in the normal time frame. Many students need four years to complete the three–year program leading to a bachelor's degree. Many students take three years instead of two to get their CEGEP diploma and they even take four and a half years to get their university degree because they have to work while completing their education.

What would happen if we were to implement the proposals made by the Liberals and the Reform Party? What impact would it have on full–time versus part–time students, on the quality of education, on the quality of graduates? They do not seem to be thinking about that. They just look at the financial situation, and that is a real cause for concern.

If the debt incurred by students is supposed to double, do you think that our young people will attend university in larger numbers, especially since they often have to face a new requirement? They must have a microcomputer, which has become an almost essential tool. Of course, many universities provide microcomputers on site. Also, there are loans guaranteed by the Government of Quebec to help students afford a microcomputer, but it is another loan and this ever–growing debt becomes more and more of a burden to the system.

Students look at Canada's fiscal situation and they see that we have an enormous debt, but they also see the cuts that are being made. For example, our young people today will never benefit from the capital gains exemption that was available to previous generations. Many of the incentives and tools that Canadians used to become successful are being eliminated. Our young people are willing to accept that, but at the same time they are being told that they will have to pay more for their education.

They are being asked to do the job the government is no longer able to do with regard to the debt and we are supposed to believe that it will be better for them, that it will improve our education system.

Canadians are being deceived and the Bloc Quebecois will never support such a motion that goes against all the principles that society as a whole must contribute for the benefit of all, whether for health or education.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I rise today to speak in support of the motion by my colleague, the member for Calgary Southwest, on the income contingent repayment of student loans.

For the record let me assure the House that my position and that of all the Reform Party caucus is that we wholeheartedly endorse all aspects of education. The country needs as much as it possibly can get. The debate this morning seems to have centred around education. The motion before us today deals with the collection of outstanding amounts owed by students in order for Canada to ensure the money that is being lent to students is being returned.

• (1150)

I listened to the debate and the nonsensical rant of members of the Bloc Quebecois going back to the idea that only Quebec can handle the problems. The arguments they put forward seem to be rather ludicrous, looking at the motion put forward by the member for Calgary Southwest.

The Liberals have talked about fairness. When we take a look at outstanding loans we see that 90 per cent of Canadian students repay their loans with or without hardship but they do so. Ten per cent have been written off. If we are talking about fairness, surely we should expect all students to live up to their financial obligations rather than 10 per cent being allowed to walk away from their responsibilities while the other 90 per cent act responsibly and repay the debt.

Today we have a very difficult financial situation in the country caused by previous governments and a current government that refuses to grasp the situation and ensure that we get our finances in order. By the admission of the Minister of Finance we are going to add another $100 billion to our debt in the next three years, thereby squeezing the amount of money we are going to have available to pay for education and the other services we so desperately need.

We also know that the young people are going to pay back the debt on top of their education. They are the ones who are getting squeezed twice. We are asking them to pay more for their education as we continue to consume the assets of the country. The students who graduate statistically speaking earn 40 per cent higher incomes than those who do not have higher educa-

tion; but we must look to the idea that higher education is very expensive. It must be handed out to those who have the desire to take that education, go forward, help develop the country and use it for the betterment of Canada.

Higher education is not a place where people can fritter away some time and borrow the money from the Canadian taxpayer and hope that if they have some money they will pay it back at a later date.

Lets look at some statistics. I have the 1994–95 estimates from Human Resources Development Canada, the part III expenditure plan. Looking at page 5.4 under the social development and education program, we find that claims paid by the government, it is estimated for 1994–95, will be $195 million. That has been increasingly steadily. Working backward, the forecast for 1993–94 was $162 million. The actual for 1992–93 was $175 million and back in 1991 it was $147 million. The amount is getting larger all the time.

Can we expect the Government of Canada to continue to provide education free for some who want to flaunt the rules and expect those who abide by the rules to have to pay for it? I do not think so. We have to remember that 90 per cent of students pay their loans back.

Let us take a look at the defaulted loans. On page 5.39 of the same book, in the 1992–93 loan year the student assistance branch reimbursed lenders' claims for 29,079 defaulted loans. Let us take a look at the dollar amounts. Under $2,500 there were 8,180 claims. Between $2,500 and $5,000 there were 10,642 claims. Well over half of all student loans that have been written off were for less than $5,000. Five thousand dollars does not buy a decent used car today. It is not a downpayment on a house. It does not go very far.

• (1155)

The average income in the country is around $24,000 a year per individual. We are talking just a few months of income. Surely it is only fair, when we are talking about the obligation people assume to go to university to get a higher education, that these people live up to their responsibilities and repay the loans.

Regardless of the Bloc Quebecois talking about how hard it would be, we must remember that only 10 per cent are abusing the privilege. Of that 10 per cent more than half of them are for less than $5,000. If these individuals whose student loans are written off have financial difficulties because they have no job and have no income, they should be allowed time to repay the debt.

However when they become employed, when they start to generate some income, surely we can expect them to live up to their obligations. Therefore the motion by the member for Calgary Southwest is perfectly in order. We should recognize that when there is hardship we should allow them the opportunity to defer payments. When they have the opportunity to pay back the loans they signed up for which provided for their education, provided for the betterment of their lives and presumably added to their standard of living and quality of life, the 10 per cent, like the other 90 per cent, should be expected to repay the loans.

We must remember that over half of the 29,000 who defaulted last year defaulted on an amount that was less than $5,000. Let us be realistic. Let us talk about being fair. Let us talk about fairness for everybody rather than just those who want to live up to their education.

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I am delighted to be able to address the House on the crucial subject of federal support for post–secondary education.

The motion before us which was introduced in the spring by the Reform Party has taken on new meaning in the context that has evolved since then. Not only has legislation been passed to overhaul the Canada student loans program but the government has released its social security reform discussion paper. Both these initiatives reinforce the notion that income contingent repayment of student loans is a potential important component of the future post–secondary education financing scene in Canada.

As a further example of the interest in income contingent repayment loans demonstrated in the past few months, I would like to point to the conference in September sponsored by the Government of Ontario with financial assistance from the federal Department of Human Resources Development. It brought together leading experts from across Canada, Australia and the United States and gave some 300 participants a chance to exchange views and argue the issues.

The arguments in this area often involve strongly held views as we have seen in the debate in the House. Throughout the debate all sides of the House stress the importance of post–secondary education to the future of individual Canadians and of our country.

I believe none of us questions this basic value but we do have differing views as to how best the federal government can contribute to ensuring that Canadians continue to enjoy access to post–secondary education over the long term.

In our red book we did admit that "we must make better use of the $44 billion we spend on education every year". Many Canadian students already receive assistance from the federal and provincial governments to finance their studies. The costs to students of post–secondary education have increased significantly in recent years. The government has introduced reforms to the Canada student loans program to help today's students handle the increased costs.

There is no doubt that in the past significant numbers of students have difficulty repaying existing fixed payment loans. The government has moved to address the problem by introducing grants and expanding interest relief to include borrowers of low incomes.

• (1200)

The government will soon be entering into contracts with lenders for the Canada student loans program whereby the institutions making the loans will assume greater responsibility for servicing and collecting them.

Under this new financing arrangement lenders will have a much greater incentive to provide income sensitive terms to borrowers. This flexibility will assist former students in repaying their loans.

More fundamental than the question of the operation of existing student loans problems is that of the share which tuition represents of higher education costs. Canadian post–secondary students contribute through their fees on the average about 20 per cent of university operating costs. We know that post–secondary graduates have much greater employment prospects and income potential than those who have not undertaken such studies. Should they perhaps contribute more toward the costs of this education?

As the House knows, the standing committee on human resources—

The Deputy Speaker: With profound apologies to the hon. member, she will have six minutes when the matter comes up for debate at the next occasion.

The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

GOVERNMENT ORDERS

[*English*]

CANADA GRAIN ACT

The House proceeded to the consideration of Bill C–51, an act to amend the Canada Grain Act and respecting certain regulations made pursuant to that act, as reported (without amendment) from the committee.

SPEAKER'S RULING

The Deputy Speaker: There are eight motions in amendment standing on the Notice Paper for report stage of Bill C–51, an act to amend the Canada Grain Act.

[*Translation*]

Motion No. 1 will be debated and voted on separately. Motions Nos. 2, 4 and 5 will be grouped for the purposes of debate but voted on separately.

[*English*]

Motions Nos. 3, 7 and 8 will be grouped for debate but voted on as follows. Motion No. 3 will be voted on separately. A vote on Motion No. 7 applies to Motion No. 8.

[*Translation*]

Motion No. 6 will be debated and voted on separately.

[*English*]

The Chair would now propose that Motion No. 1 be debated.

MOTIONS IN AMENDEMENT

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ) moved:

Motion No. 1

That Bill C–51, in Clause 2, be amended by replacing lines 42 to 45, on page 2, with the following:

"4.(1) The Governor in Council, on the recommendation of the committee of the House of Commons that normally considers agricultural matters, shall designate one of the commissioners to be chief commissioner and another commissioner to be assistant chief commissioner."

He said: Mr. Speaker, this is the second time I rise in the House to speak to Bill C–51. The bill was discussed at length in committee, mainly so that we could provide some clarification.

The House will recall that the purpose of this bill is to clarify some procedures with respect to contracts concluded by the Canadian Grain Commission with grain elevator operators and producers.

I will first comment on the amendment I proposed to improve Bill C–51. The amendment in question does not affect the main thrust of this bill. According to the government, the bill will impose greater responsibility on grain producers to secure payment for their grain from elevator operators and grain dealers licensed by the Commission. The government is telling producers: Look, you know how this works. We now have to make some adjustments to make things work more smoothly.

The amendment I am proposing to Bill C–51 is along the same lines, in that its aim is to provide for more effective and, above all, more transparent operations.

• (1205)

The proposed amendment affects the government body that is involved in all these operations, the Canadian Grain Commission—and more specifically, section 2 of the bill which concerns the appointment of the chief commissioner and the assistant chief commissioner of the Canadian Grain Commission.

The section reads as follows:

The Governor in Council shall designate one of the commissioners to be chief commissioner and another commissioner to be assistant chief commissioner.

Before the amendment provided in Bill C–51, the governor in council only designated the chief commissioner. Bill C–51 adds the appointment of the assistant chief commissioner to this section. The motion I am presenting this afternoon in the House would involve the Committee on Agriculture and Agri–Food in the process.

As amended, the section would read as follows:

> The Governor in Council, on the recommendation of the committee of the House of Commons that normally considers agricultural matters, shall designate one of the commissioners to be chief commissioner and another commissioner to be assistant chief commissioner.

The governor in council appoints the seven commissioners of the Canadian Grain Commission. Of course, if you want to be naive—I remember very well how the commissioners were appointed under the previous government. I have some friends who sat on the Immigration Commission, and I can assure you that the Conservative Government did not appoint any Liberals. These were well–paid jobs. You were paid to work not too hard for five or six years, depending on the appointment.

The Liberal Party will be no exception. In appointing these commissioners, it will make sure to select good red commissioners, making partisan appointments. What we would suggest is to enhance slightly the role of the MPs sitting on the Standing Committee on Agriculture and Agri–Food. Our proposal is that, within the committee, which is—need we remind you—dominated by the Liberals, the Liberal Party could nominate a chief commissioner and an assistant chief commissioner. The Liberals are in the majority on the committee, but at least we would get the impression that the opposition parties had a say in deciding which of the seven commissioners would make the best chief commissioner.

I sometimes wonder if committees are not used a little bit like so–called occupational classes in a school, where you stick less–gifted or motivated students who nevertheless have to attend school.

But here, if we want our committees to have a degree of credibility, we must give them responsibilities and roles to play. With this motion, the Bloc Quebecois would give them some role to play and slightly reduce this shameless partisanship.

As it currently stands, the clause allows these appointments to be made unilaterally by the Governor in Council, that is, by the government.

• (1210)

You will understand that it is out of concern for transparency that I am suggesting that the government consult the appropriate committee so as to appoint the best qualified people to run the Canadian Grain Commission.

I think it is only fair to say that the credibility and importance of the commission are well established. That is why is must raise above any partisanship and the best qualified individuals, regardless of their political colour or affiliation, must be put in charge of it. Such a unilateral approach has often led to unfortunate situations in the past.

A competent person can be appointed to be chair, only to be replaced by someone who is a little closer to the party forming the new government. I imagine that certain very political positions can only go to people who agree with the government's policies and can implement them. But I do not feel that CGC positions fall in this category.

Furthermore, when someone is fired for partisan reasons, the tab for breaking this person's contract is often picked up by taxpayers. If this person worked on implementing initiatives, we hope that the whole process will not come to a stop while we wait for someone else to be appointed and start carrying out the new policies.

Several people came to testify before the Committee on Agriculture and Agri–Food, and I remember very well one witness who was very interesting and especially quite eloquent. A lady told us her story. She said that she used to sit on the CGC and that she was fired when the former Conservative government took office. Until we find evidence to the contrary, the Liberal Party resembles the Conservative Party in all respects. It will not hesitate either to get rid of someone even if that person is doing a good job.

The members opposite will respond that they do not engage in such practices. If all their decisions in situations such as this are devoid of partisan considerations, they should be happy to shout it from the rooftops today. As nothing lasts forever, they should think about their successors who will have total faith in them.

Incidentally, this approach would also avoid many recriminations since representatives of all political parties would have their say on who is appointed to these two positions, in the Committee on Agriculture and Agri–Food.

In closing, I urge once again all members, at least all members of the Committee on Agriculture and Agri–Food, to vote in favour of this motion.

• (1215)

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, I would like to make a few comments on Bill C–51 which is before the House this morning. Probably the best way is to sum up what this bill is all about and then I will make a couple of specific comments about the motion before us.

I would like to quote part of the speech the Minister of Agriculture and Agri–Food delivered to the House when the bill was put forward some weeks ago.

The grain industry is changing and the pace of change is accelerating. To remain competitive in global markets, and global markets are where Canada sells most of its grain, we need a regulatory and legislative framework which protects the shared interests of all stakeholders. At the same time it must assist the individuals and groups within the industry to compete successfully, adding value where possible to their efforts.

The minister made that statement a number of weeks ago and I can assure the House and the industry that this very comprehensive consultation process has taken place as we have moved through the bill.

As far as the motion that has been put forward is concerned, I would like to assure the members of the House that as the government reviews the appointments, we can guarantee that they will be filled with competent, capable, enthusiastic and qualified people. When those appointments come along they will be advertised in the *Canada Gazette*. There is nothing prohibiting any member of the industry or anybody else suggesting that the minister consider someone. There is ample opportunity for all of that to take place.

However, we must recognize in the final analysis that the chief commissioner and the commissioners are responsible to the minister. The best way to ensure that the minister is comfortable with those appointments is to leave things as they are at the present time, with the minister having the final say. But I can assure the House that anyone whose name is put forward will be reviewed in the same manner as everyone else. The House does not have to be concerned about the quality, capability and competency of those with whom the government fills the positions.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I rise to support the amendment brought forward by the hon. member this morning. From the parliamentary secretary's statement it seems he really supports the motion as well.

This motion does not take final authority to make the appointments from cabinet. All the motion does is give the agriculture standing committee the power to discuss and to recommend. I do not believe there is any disagreement and the Liberals should support the amendment.

The amendment allows the agriculture and agri–food committee to recommend names to cabinet for the Canada Grains Council's chief and assistant chief commissioners. Our party supports this because it will allow for discussions to take place, at least in the standing committee, which is better than only in cabinet.

Even with a Liberal dominated committee, as the committees are now, it would still give opposition parties the ability to put forward suggestions and to talk about the qualifications or the lack of qualifications of these appointments.

Where Reform and Bloc members do not agree with the appointments the Liberals are making, we can talk about it in committee and get some public involvement in the discussion. It would make it more difficult for government to make appointments strictly based on patronage. It would take that aspect out of it to a large extent. At least if the minister did make appointments strictly based on patronage and the qualifications of the person appointed were not there, then the public could make him pay the price because there would be open discussion.

• (1220)

I would like to close by asking a question of the parliamentary secretary. Who could possibly oppose a motion which will provide for more discussion of these appointments and still leave the final authority to appoint with cabinet? I think I heard the parliamentary secretary say that so why would he or his party oppose the motion? They should not, based on what he has said.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I listened with care to the member for Frontenac. While I agree with his sentiments, he is attempting to define a role for the agriculture committee in the appointment of personnel for boards such as the grain commission.

In reading the motion carefully I see that the amount of leeway available to the agriculture committee is very limited. Essentially all its members will be doing is deciding among the three to five people who currently are appointed to the commission which would be the chief commissioner and which would be the assistant chief. I get that reading in either language.

Essentially what you will have, even if this becomes part of the law, is the governor in council or the cabinet appointing the three to five commissioners. After that process is finished the agriculture committee or designate would then recommend to the agriculture minister and to the governor in council, the cabinet, which of those three to five—however large the commission happens to be at the choice of the government of the day—would be the chief commissioner and which would be the assistants.

That is not particularly important. I have no objection to it going into the bill but it does not change the power of members of the committee to decide which of a bunch of Liberal appointees, Conservative appointees, Reform appointees, or Bloc appointees might be considered the chief and which would be the assistant chief in the event that the chief could not act.

I liked the arguments that the hon. member for Frontenac made when he argued that committees should have more power in the management of these commissions by proposing names. Unfortunately that is not what the proposed motion does. It only picks the three to five appointees and ranks them. That is really not a very important job even though it might set a bit of a precedent.

[*Translation*]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, I listened carefully to my colleague from Frontenac. His amendment reads:

> "4.(1) The Governor in Council, on the recommendation of the committee of the House of Commons that normally considers agricultural matters, shall designate one of the commissioners to be chief commissioner and another commissioner to be assistant chief commissioner."

I think that is the key to a transparent appointment process for the Canadian Grain Commission and I really see the members who will oppose it. It also gives the members of the agriculture and agri–food committee a new role.

The purpose of the amendment submitted by my colleague from Frontenac is to have good people appointed to the Commission in a non–partisan way.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Deputy Speaker: In my opinion, the yeas have it.

And more than five members having risen:

• (1225)

[*English*]

The Deputy Speaker: Pursuant to Standing Order 76.1(8) the recorded division on the motion stands deferred.

Mr. Vic Althouse (Mackenzie, NDP) moved:

Motion No. 2

That Bill C–51, in Clause 12, be amended by replacing lines 37 and 38, on page 6, with the following:

"et or receipt relates within one hundred and eighty days after the day on which".

Motion No. 4

That Bill C–51, in Clause 19, be amended by replacing line 9, on page 11, with the following:

"grain in a licensed primary elevator, licensed terminal elevator or li".

Motion No. 5

That Bill C–51, in Clause 22, be amended by replacing lines 33 to 40, on page 11, with the following:

> "81. (1) With respect to the purchase of western grain from the producer of that grain, every licensed grain dealer shall, at the prescribed time and in the prescribed manner,
>
> (a) issue a grain receipt, elevator receipt or cash purchase ticket stating the grade name, grade and dockage of the grain, and immediately provide it to the producer, or
>
> (b) where no Canada grade name is applicable to the grain, issue a grain receipt, elevator receipt or cash purchase ticket stating the type of grain by name, value of the grain and dockage of the grain, and immediately provide it to the producer."

He said: Mr. Speaker, these motions propose to achieve two things. One is to extend the time that grain may be left in an elevator before it is priced. In effect it will be extending the time from 90 to 180 days and provides additional protection to the farmer who left the grain for storage up to the 180 days.

This is a reduction from the current law in which the protection lasts for one year. It would cut the time in half. The effect on farmers is that it forces them to price grain more quickly than is currently required. Ninety days in my estimation and in the estimation of a lot of producers is not a great deal of time. It forces them to unload the grain that has been delivered to commercial storage to await a price.

Second, Motions Nos. 4 and 5 have the effect of including the designation, "elevator receipt" in the choices of paperwork that might be engaged in on delivery of grain to the various receivers.

It is extremely important that an official elevator receipt be available on demand for the producer. I remind the House that the elevator receipt means a document in the prescribed form issued in respect of grain delivered to an elevator acknowledging receipt of the grain and subject to any conditions contained therein or in this act, entitling the holder of the document, who now be the farmer; (a) to delivery of grain of the same kind, grade and quantity as the grain referred to in the document or; (b) in the case of a document issued for specially binned grain, which is another designation under the act, to deliver the identical grain.

With the inclusion of an elevator receipt we are permitting the producer to retain the exact amount and type of grain he has delivered. He has not yet given up ownership of it. He has only put it in storage and started it into the system.

This is important in the event a grain dealer goes into bankruptcy. It permits the farmer to extract his grain from the institution and safeguards against what can only be described as rip–offs that have occurred in the past.

Prior to the grains act being changed a couple of years ago, some processors actually accumulated thousands of bushels of grain and collected credit on them, when bankrupt, using the grains to relieve some of the elements of their debt. In effect

they were transferring the ownership of that grain from the farmer to themselves without any money having changed hands.

• (1230)

These amendments are designed to provide adequate protection for producers who use the wide variety of choices under the grains act. Therefore no matter what their choice they would have the same recourse to protection by the demand for the issuance of an elevator receipt. With my amendments this would give the producer the protection and knowledge that he would still be the owner and would still have the right to the sale of that grain.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I would like to speak on the three amendments put forth by the hon. member for Mackenzie.

The purpose of Motion No. 2 is to limit the time period for a grain dealer to meet the paper requirements to 180 days from the flexible type of arrangement under the Canada Grain Act right now. I do believe flexibility is needed.

The Canadian Grain Commission has to be given the power to set different lengths of time for the different transportation situations and for the different types of dealers in the industry. It takes and requires that flexibility. The 180 days would end up setting a maximum which is too long for some grains and may be too short in the rare case. Flexibility is needed.

We cannot support this motion because that flexibility is needed for the commission to operate properly.

The intent of the motion is good. However we must consider the Canadian Grain Commission's overzealous enforcement in some cases and its unwise laxness in others as in the case of ensuring that companies are operating within the bonding level. While those concerns are there with some of the past dealings of the Canadian Grain Commission I believe it does need the flexibility in this case. Therefore we will oppose this motion.

Motion No. 4 adds primary elevators to the list of terminal and transfer elevators in terms of facilities where the seller will have top priority. If the company that is operating should become bankrupt or insolvent the seller has the top priority, the first right to receive payment for grain that he has in storage in those facilities. This is a good amendment.

It never did make sense to me that a farmer with grain in an elevator of a company that went bankrupt and was out of business would not have the first right to receive payment for his grain that was sitting in that facility. That is the case right now. Therefore we do support the amendment.

Motion No. 5 adds the additional stipulation that in cases where no official Canada grade name is applicable to a grain under the Canada Grain Act, then the grain dealer shall immediately issue a receipt stating the name, the value and the dockage of the grain.

While its intentions are good, this amendment will make it virtually impossible for speciality crop dealers along with others to operate. This is especially so in cases where farmers are loading directly on to a dealer car or a producer car or for truck pick up in the yard and these shipments are going into the United States. In cases like that it would make it virtually impossible for the sellers, the farmers and the dealer to do business.

• (1235)

This recommendation restricts too much. Again the intention is good in that the concerns the member has are legitimate. In some cases now grain is being loaded on trucks without a grade given and without a value assigned.

If that grain does not make it to its destination, what compensation can the farmer get? What proof has the farmer that the grain has been shipped other than the bill of lading, which a farmer should get from a trucker before loading?

In the case of loading directly on a rail car, whether it be a dealer car or a producer car, it is just a copy of the paperwork that the farmer sends to the company and the Canadian Grain Commission. The company they are dealing with has not really been verified by anyone. How much weight would that carry in legal terms? Probably very little.

In practical terms, how is the farmer going to weigh the grain that goes on to the car? How is the farmer going to weigh the grain that is put on a truck and is moving into the United States? There is no practical way.

The cars of course are weighed when they go over the first scale on the track but in terms of grade and dockage, that has to be determined from the spill. In case of a spill, samples can be taken from the product.

My personal experience with this is from people I have talked to who have had spills. One happened a couple of years ago by Innisfree in my constituency. The farmer felt that the compensation was fair. Dockage and grade was taken from the spill. A weight had not been taken but the farmer was paid out at the maximum load that was allowed on the car. Therefore the railways have treated farmers fairly in this regard.

For those reasons I oppose this amendment.

Mr. Althouse: Mr. Speaker, on a point of order, I was listening to the last debate and I wanted to clarify which motions had been grouped. My understanding is that it was Motions Nos. 2, 4 and 5. I believe the hon. member was talking about Motion No. 6. It confuses the debate to have him opposing something we may not yet be talking about.

The Deputy Speaker: The member is correct that it is Motions Nos. 2, 4 and 5. It is very difficult for members I am sure to keep track of what motion we are discussing.

Mr. Benoit: Mr. Speaker, on a point of order. Motions Nos. 5 and 6 do deal with a very similar topic area, but the member is absolutely correct. I just spoke on Motion No. 6. A lot of the same rationale does apply to Motion No. 5. It is virtually the same rationale except we are not talking about transportation. We are talking about paperwork. The debate I have just given applies if it is translated to paperwork instead of transportation.

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, it is my pleasure to address Bill C–51, An Act to amend the Canada Grain Act and respecting certain regulations made pursuant to that Act. As you know, the Canadian Grain Commission has the responsibility to guarantee to purchasers of Canadian grain the quality and the quantity that they order, and to ensure the reliability and the wholesomeness of products intended for domestic and foreign markets.

The government wanted to give more operational flexibility to the commission by amending the act. The amendments include changes to the current provisions on licensing and security. The Official Opposition tabled a motion regarding the appointment of the commissioners to the Canadian Grain Commission. Let me tell you that the public has had enough of partisan appointments and is tired of seeing heads roll as soon as a new government takes office.

The amendment to clause 2, which will be discussed more thoroughly later on by a colleague of mine, must be adopted for reasons of transparency. Motions Nos. 2, 4 and 5, tabled by the NDP, deserve some consideration.

• (1240)

The hon. member for Mackenzie proposes that the deadline set in clause 12 be changed. We cannot accept that amendment.

The Canadian Grain Commission requires producers to do what is necessary to get paid for their grain, within 90 days of delivery to an elevator operator or a grain dealer. After this 90–day period, a producer who did not get paid has 30 days to notify the commission. The 90–day period is fixed by regulation.

In its amendment, the NDP proposes to set that period at 180 days in the act. Thus, it would no longer be possible to change that period by regulation. The Canadian Grain Commission would see its flexibility to ensure payment for the grain within a reasonable period of time and especially to avoid bankruptcy be reduced.

Do we need to remind the NDP that this time limit was set up following a Federal Court ruling in 1990, which held the Canadian Grain Commission responsible for the bankruptcy of two of its licensees? The security given by these two licensees was not enough and the taxpayers had to make up the difference, which came to $3.8 million in this case.

Let us just say that it would be better to avoid such incidents from now on. The 90–day time limit provided for in the regulations seems fair. This is why we urge members to vote against this motion.

Motion No. 4 to amend Clause 19 is inappropriate, since we are not talking about the same type of elevator receipts. In the case of terminal elevators or transfer elevators, a receipt can be resold. The last holder has the priority to receive the grain. However, in the case of a primary elevator, the purchase or the sale is handled directly by the producer and the terminal operator.

The elevator receipts are redeemable immediately. Even the Canadian Grain Commission does not see the need to add primary elevators to Clause 19 of this bill, because we are not talking about the same type of transactions.

In Motion No. 5 concerning Clause 22, the NDP proposes that the commonly used name of some types of grain be stated on the grain receipt, or the elevator receipt, if no Canada grade name is applicable to the grain. After checking with the Canadian Grain Commission, it seems that almost every grain has a Canada grade name, even though it is not always well known.

The amendment as proposed by the NDP could cause even more serious administrative problems than if everybody used the grade names. Greater responsibility is imposed on grain producers and operators to state the grade name, grade and dockage of the grain in order to help assess the value of the grain.

Anyway, the Commission can exempt an elevator operation from using the grade. If the Commission releases the lesser known grades of some grains, people should be able to manage. In this case, we do not think the bill needs to be amended in this way.

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, I would like to make a few comments on these three motions.

First I will comment on Motion No. 2. As has already been said this motion which has been put forward by the member for Mackenzie sets out a definite date on which settlement would have to be made. Other members have commented today that there needs to be some flexibility. After a long period of consultation which has taken place on this the industry feels it should be 90 days. That is why it is there. If we were to prescribe in the bill that there be a set number of days, no matter what that was, there would be difficulty in the future. If the industry

deemed it should change, it would take a change in the legislation to do so.

• (1245)

By doing this in 90 days, as will be suggested and done by the commission without having been carved in stone in the legislation, one of the things we have to keep in mind is to keep the money getting to the producers as quickly as it possibly can. If the producers were allowed to leave their grain in an elevator for a longer period of time those elevator operators would probably have to have a greater amount of security posted at all times because of the volume that might be there.

Also, we want to get the dollars back to the producers as quickly as we can. We do not want to put the temptation out there for producers to leave the grain in the elevator a long period of time and start using it as a storage facility to hold their product so they might be able to speculate on the market as it goes along and maybe have some distorting influence on the price of the market.

We certainly cannot support Motion No. 2 for those reasons if no others.

On Motion No. 4, I want to point out to the member for Mackenzie that if he looks at section 112 of the act it already provides protection for the holders of primary elevator receipts. The section that he is referring to or suggesting that they make an amendment to is the section that deals only with terminal and transfer elevators. The provision that the member is requesting is looked after.

The member for Vegreville raised the issue that the producers should have first claim. The producer does have first claim. The producers have first claim in any situation if the producers still maintain their receipt. If the producers wish to assign their receipt to somebody else well that may very well differ the situation. The producers do have first claim as long as they have that receipt.

Motion No. 5 refers to the use of grades on a receipt when it is received. What we want to avoid here is the temptation that has been there in the past to not list the grade name. The elevator operator in the past, when they did not have to list the grade name, it was not necessary that they post security for that product in the elevator.

We want to close that loop and close that possible gap, also recognizing that there may be times when that has to take place and that can take place and that the grade name does not have to be there. The elevator operator in that case, if it were a feed grain or something, could have that without a described grade on it providing that they agree with the commission that they provide security so there would have to be specific recognition and co–operation made in that case.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 2. All those in favour of the motion will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76.1(8), a recorded division on Motion No. 2 stands deferred.

• (1250)

The next question is on Motion No. 4. All those in favour of the motion will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

The next question is on Motion No. 5. All those in favour of the motion will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

An hon. member: On division.

The Deputy Speaker: Motions Nos. 3, 7 and 8 will be grouped for debate but voted on as follows: Motion No. 3 will be voted on separately; a vote on Motion No. 7 applies to Motion No. 8.

Mr. Leon E. Benoit (Vegreville, Ref.) moved:

Motion No. 3

That Bill C–51, in Clause 13, be amended by adding after line 15, on page 8, the following:

"49.2 (1) A person who proposes to operate a primary or process elevator or carry on business as a grain dealer without being licensed under this Act may apply to the Commission to be exempted by order under paragraph 117(*b*) from the requirement to be licensed.

(2) Unless the Commission has reason to believe that the elevator is not suited to handling grain or that the person is not a suitable person to carry on business as a grain dealer, the Commission shall make an order under paragraph 117(*b*) exempting the person from the requirement to be licensed.

(3) A person who is exempted from being licensed under subsection (2) shall display prominently a statement in the prescribed form that the person is not licensed under the Canada Grain Act to operate an elevator or carry on business as a grain dealer

(*a*) at every place of business operated by that person at which a contract for the delivery of grain may be executed;

(*b*) at every place where grain may be delivered to the person as an elevator operator or grain dealer; and

(*c*) on every document that is, relates to or solicits a contract to deliver or handle grain."

(4) Section 83 does not apply to a person who is exempted from being licensed under subsection (2).

Motion No. 7

That Bill C–51, in Clause 33, be amended by deleting lines 9 to 15, on page 15.

Motion No. 8

That Bill C–51 be amended by deleting Clause 34.

He said: Mr. Speaker, I am pleased to rise today to speak to these three motions which have been put forward by the Reform Party.

The purpose of Motion No. 3 is to allow grain dealers or the operators of primary or process elevators the ability to opt out of licensing under the Canada Grain Act. This amendment would remove from these operators all of the requirements and restrictions under the Canada Grain Act.

This amendment also imposes certain conditions for opting out to make sure that it is very clear to people using these services that this particular dealer or elevator operator is not licensed and therefore meets no bonding requirements under the Canada Grain Act. That is an important protection which I think is necessary to make this opting out work.

The Canadian Grains Commission must allow the opt out on the part of the dealer unless it can show good reason that this person should not be allowed to carry on business or that the facility is not a proper facility to carry on a business.

All we are talking about there is the individual who is applying to carry on business should have a good credit rating, one that would not interfere with allowing him to carry on a business, and should not have a criminal record which would restrict him, which the commission would feel would not allow him to carry on his own business.

Those are the only restrictions. Barring those restrictions an individual who wants to opt out should be allowed to opt out.

This amendment would also allow those who have opted out to deal under the Canadian Grains Commission with grading and inspection services, to use its services. Unfortunately, it was not possible as far as I could tell to make this amendment require that the Canadian Grains Commission allow these opted out individuals to use its inspection and grading services. I would hope that the Canadian Grains Commission would feel an obligation because these people are in the grains industry and the Canadian Grains Commission says it is important to have the integrity in our business by having grading and inspection services. I would hope that the Canadian Grains Commission would allow for this grading and inspection even for those who have opted out.

• (1255)

That is the purpose of this amendment and I believe that it would allow these opted out people to operate. They can of course provide security on their own through some type of private insurance, some type of bonding. It would also allow groups like the special grains people who have expressed a real concern with this bill to opt out and then, especially small dealers, opt out as a group and form their own group, put their own bonding or insurance in place. They could be under the umbrella of a special grains group for example. It would allow these individuals to operate still using official Canada grain names where it applies.

I believe the purpose of this amendment would be allowed under these changes. Still, it would depend on the goodwill of the Canadian Grains Commission to allow for the grading and inspection services to be used because these people would have opted out completely from the requirements under the Canada Grains Act. That briefly is amendment number three. The hon. member for Kindersley—Lloydminster is going to speak later specifically about the special grains end of it later.

I think we can talk about Motions Nos. 7 and 8 together. Both of these motions are simply there to delete the changes that have been made through Bill C–51 to the act. What it would do is have these sections revert to the old language of the Canada Grains Act which does not specifically state that the governor in council, the cabinet, has the power to overrule the Canadian Grains Commission in these areas.

These two changes that were put into the Canada Grain Act under Bill C–51 specifically state that cabinet does have the power to overrule the Canadian Grains Commission.

It is political interference with a body that is supposed to be an arm's length body, a regulatory body. Those who are in favour of making the change under Bill C–51 which gives the cabinet the final say state that really all it does is give cabinet a power that it has over the entire Canada Grain Act anyway. That is true to some extent because the cabinet does have control. The minister and the cabinet do have control of the Canada Grain Act.

When I was in committee my question to the people in the Canadian Grains Commission who administer this act was why put these amendments in Bill C–51 which specifically designates this power to cabinet. I was given no answer.

All I am asking is that these powers which are specified under these section of Bill C–51 are again left out as they originally were in the act. I cannot understand why the Liberal Party would oppose this change. I would like to trust that the exclusion of this was an oversight on the part of the people who drafted this new legislation. The only other reason for adding it is to give cabinet hands on, more direct control over the Canadian Grains Commission in these specific areas of the act. That is the only reason to leave them in.

I would ask for support from all parties in the House.

• (1300)

[*Translation*]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, I will speak to the House about Bill C–51 and the grouping of motions 3, 7 and 8. I will start with Motion No. 3. This motion presented by the member for Vegreville is the result of complaints voiced by western producers, in particular special crop dealers. I understand that the purpose of this motion is to make it possible for elevator operators or grain dealers to be exempted from the obligation to hold a licence for selling or buying grain.

Before voting on the motion, we must consider the sections involved, as they appear in Bill C–51. According to what was explained to us, we understand that the amendment proposed by the bill is aimed at reinforcing the obligation to hold a licence. Bill C–51 clearly and explicitly prohibits the sale and purchase of grain without a licence. If a producer deals with an unlicensed merchant and if the latter goes bankrupt, the producer will receive no compensation from the CGC. Therefore, he does so at his own risk. The situation which led the CGC to include this provision in the bill could roughly be described as follows:

Certain new elevator operators are in the business of cleaning grain from special crops; their neighbours, too, find it practical to deal with them because they are closer and, possibly, because it is cheaper since they are not licensed, thus saving on license–related costs.

These costs can amount to as much as $20,000 a year. Eventually, the elevator operators offer to act as intermediaries for their customers and sell the grain they cleaned. It seems that there is some uncertainty in the act that would make this possible. This is why the government wants to go ahead and clarify this provision. The motion before us now would make it possible for small operators to be exempted from the obligation to hold a licence, thus allowing them to save the costs associated with such a licence.

At the present time, all elevator operators and traditional grain dealers hold a licence certifying that they meet CGC standards. The commission prohibits anyone without a licence from buying or selling grain. The CGC demands that licensees post bonds equal to the value of their highest monthly transactions. The reason for this is very simple. If they want to deal in grains, they have to prove that they have the financial capacity to do so.

There is a system of securities guaranteeing payment of delivered grains in the event of bankruptcy of the elevator operator or grain dealer. In the past, the CGC, and consequently taxpayers, had to pay for shipments made to two elevator operators who went bankrupt. The cost was $3.8 million. The motion by the hon. member for Vegreville would be especially worthwhile for special crops since the government intends to introduce a bill on that subject in the spring.

I suppose that we could then include a provision to that effect. What concerns me about the motion of the Reform Party is that it could lead to deregulation of the industry. With this motion, those who would apply for a licence exemption would get it unless the CGC proves that the elevator is not suitable for grain processing.

Given the cost of a licence, well–established companies, like Cargill, could ask to be exempted and the commission would be unable to refuse. Consequently, despite the underlying good intention of the motion, I must reject it because of the risk of deregulation.

As for Motions Nos. 7 and 8, grouped together, they puzzle me. They are mainly technical in nature. Lines 9 to 15 in clause 33, and clause 34 have been added to the bill to allow the CGC to change grade names more quickly. Removing these would block the process. I will therefore oppose the motion.

• (1305)

The confusion started in 1988 when the CGC wanted to be able to react more quickly when new grades were needed. An amendment allowing for the creation of grades and grade names by regulation was adopted in 1988. Although the amendment dealt only with grades and grade names, the approval of the Governor in Council was needed. From 1990 to 1993, the CGC used an invalid procedure to modify grades and grade names of grains. Prior to 1988, grades and grade names were specified in a schedule to the act and could be modified only by legislative amendment.

According to lawyers, a regulation made without Governor in Council approval cannot be implemented. The CGC did not see fit to have Sections 33 and 34 exempted from Governor in Council approval in order to speed up the process. Therefore, I will oppose the motion because we must abide by the law and also for the sake of efficiency.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I want to speak briefly to the Reform motions that would amend the Canada Grain Act. I particularly want to speak as they concern the special crop industry.

I have spoken about the matter before in the House. I have a very relevant concern in that it is a growing industry in my constituency of Kindersley—Lloydminster. It is one of the bright spots in the agricultural industry throughout at least western Canada and possibly other parts of the country as well.

There have been a couple of minor problems, not minor for those involved but minor in the scope of the entire industry. Two facilities ran into disrepute. The one in my constituency was the Klemmer seed company and the other was Pro Star. The producers that delivered to these companies were not adequately protected.

The Parliamentary Secretary to the Minister of Agriculture and Agri–Food is also aware of some of these concerns and problems. It may be part of the reason some of the current amendments are put forward to amend the Canada Grain Act. However there have been discussions with the industry and it is proposing further changes in the form of a new special crops act that would adequately protect those who deal with this new and growing industry.

In the interim Motion No. 3 would, temporarily at least and ongoing if we did not change the act, allow special crop producers to opt out of the auspices of the Canada Grain Act which was first passed about 1912 and really does not fit the needs of the industry, because they are not Cargill, the Saskatchewan Wheat Pool or United Grain Growers. They are much smaller operators, almost taking the form of family farm operations in many instances. They not only provide valuable services to the special crops act but they are extending the viability of many rural communities through employment opportunities and through service to local producers in those areas.

The industry is a very conscientious industry and is promoting changes and regulations to protect producers. It needs time for the government to enact a special crops act so it can function and protect producers who deal with the industry.

Motion No. 3 would allow them to opt out of the auspices of the Canada Grain Act. That is not something that is unheard of in the current situation. For instance, right now feedlots which buy a lot of grain are able to opt out. They must clearly indicate that they are not under the constraints of the Canada Grain Act.

The hon. member for Vegreville has indicated that the same provision should be made available to other players in the industry. They must clearly indicate that they are not under the auspices of the Canada Grain Act so that those who would deal with operations such as Klemmer and Pro Star would not be under any illusions that they were being protected by the Canada Grain Act.

• (1310)

There have been a lot of allegations of political interference particularly in the Klemmer case. We may never know the full story behind that situation, but it is clear producers must be aware of where they are protected by the Canadian Grain Commission and where they are not protected.

With this motion the hon. member for Vegreville is attempting to clarify that and allow the special grains people to opt out so they can bring in their own special crops act, which would clearly protect producers who deal with them. Unlicensed individuals may still buy and sell using Canadian Grain Commission approved grade names if the commission would agree. It could perhaps even charge a modest user fee to provide that service.

As far as Motions Nos. 7 and 8 are concerned, they apparently clarify and revert to how the old act was structured. The amendments as put forward in Bill C–51 would clarify and give far more power to cabinet or to order in council decisions affecting the Canadian Grain Commission. If anything, we should be moving the other way where this quasi–judicial body would be at arm's length and cabinet would not be interfering in the daily work of the Canadian Grain Commission.

I also ask the House to consider support for Motions Nos. 7 and 8 so we can have better legislation to facilitate the work of the industry and we can see it progress rather than revert to the days of 1912.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, I would like to make a few comments on the three motions before us in this grouping, the first one being Motion No. 3.

I have to question something because I cannot quite figure out where Reformers are coming from when they talk about wanting some people to opt out. They want the Canadian Grain Commission to make the decision on whether somebody can opt out or cannot opt out. Let us look at the practical application of that. If someone asked for permission to opt out and the Canadian Grain Commission thought there might be some requirement for the elevator or operator and it was not totally satisfied the security was there without a legal bonding or security being posted, the commission could say that he should not opt out. What message does that send?

In other cases, as has been mentioned, some larger grain companies that might be considered to have all kinds of backing could opt out. As the member from the Bloc said, I could see a total breakdown in regulation and therefore deregulation of who was secure and who was not secure.

Having farmed for many years myself, not in the west admittedly but taking grains to elevators, I know farmers are busy. There is an assumption that if we know some elevators

have bonding or security we assume that probably others do. We could end up in a situation where an elevator had security posted and 20 or 30 miles away an elevator might have security posted because it chose to.

It is certainly not the intention of the government to leave in place a situation where everybody is not treated in the same way. Hopefully it will be some comfort to members that the Canadian Grain Commission realizes every operator out there does not do the same amount of business. They may not have a large volume of product in their facility or on their site at any one time. There is work being done as far as how smaller operators can collectively post bond or securities so they can be covered. We have to remember that.

What would it do as far as competitiveness between dealers or elevator operators is concerned if one had further costs due to posting security and another one down the road, 100 miles away or even 10 miles away, did not have those costs? It is certainly our intention to treat everybody fairly. It is not our intention at this time to encourage or to allow some dealers to be in the system and some dealers to be out.

• (1315)

In reference to the comments from the member for Kindersley—Lloydminister as far as special grains, he is right. The government is working with the industry to put a special act in place to cover those, the peculiarities and specific requirements there. There was some concern that we do it in Bill C–51 but the general feeling was that there were some things in this bill that we could and should do and get out of the way rather than holding all those things up. I see the member is nodding his head yes, get those done and then work with the special crops people to look after their needs which are otherwise there.

As far as Motions Nos. 7 and 8 are concerned, again I find the comments from Reform Party members confusing. It seems that if members of that party have questions on something that has happened in agriculture they do not like, the first person they turn to is the Minister of Agriculture and Agri–Food and ask: "Why did you allow that to happen? It is in your ministry, your department. Why did you allow that to happen?"

What we are asking here and what it does is it gives the minister the final say, the governor in council. The minister would have an opportunity to comment on it. It gives the minister the final say on these types of actions and that is where the responsibility is going to end up.

The intention is not to get into the day to day operations of the commission. If there are questions, these things will have had to be approved by the minister and the governor in council. This will enable the answering of questions the Reform Party seems to be in the habit of asking the minister as to why he allowed something to happen. It gives the minister the opportunity to review those types of decisions before they happen.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I have just a few short words on these amendments.

Motion No. 3 proposes to allow people who operate a primary or process elevator or who carry on business as a grain dealer without being licensed under this act to apply to the commission to be exempted under paragraph 17(b) of the act. In effect it sets out a class that is not particularly well defined which may apply for exemption under the Canada Grain Act. That is probably rather dangerous for us.

We would probably be better to await a specialty crops act and deal with these kinds of issues properly. There is the possibility for the kind of anomaly that was raised by our friends from the Bloc. One of the large players might decide to opt out. It would make the whole marketing practice that Canada has been engaged in since the turn of the century very suspect.

What we have now is a system where product identification is absolutely secure. It is guaranteed in Canada. This is one of the tools that Canada has used for almost 100 years to break into markets. We are the quality product. We have made Canadian grains similar to what the Mercedes Benz is to cars.

We have to take some care in allowing people to opt out. I am sure that McDonald's would not permit some of its franchisees to opt out and still go on selling Big Macs. We have not designated with this opting out process whether Canada No. 1 can still be sold as Canada No. 1 even though there is a disclaimer on the bill of lading saying that the dealer did not comply with the Canada Grain Act. Customers are not going to understand this. It is only going to reflect badly on all Canadian farm produce. We would be just as well to stay away from it.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

• (1320)

The Deputy Speaker: The question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

The next question is on Motion No. 7. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

Mr. Vic Althouse (Mackenzie, NDP) moved:

Motion No. 6

That Bill C-51, in Clause 25, be amended

(a) by replacing line 16, on page 12, with the following:

"84. (1) Except with the written permission of";

(b) by adding after line 24, on page 12, the following:

"(2) Except with the written permission of the Commission or in accordance with prescribed terms and conditions, no public carrier shall transport grain unless it has first been weighed, the dockage established and the quality designated."

He said: Mr. Speaker, technically this motion divides what is now section 84 in the act. The bill we have in front of us proposes to amend section 84 in the act into subsections (1) and (2). In clause 25 of the bill before us now it would become subsection 84(1) and we would add a subsection (2) which would read:

(2) Except with the written permission of the commission or in accordance with the prescribed terms and conditions, no public carrier shall transport grain unless it has first been weighed, the dockage established and the quality designated.

There are two reasons for this. One is to make it easier to track grains that might be subject to bankruptcy procedure and as well to look forward to the new technology which is now being introduced into western Canada. It is the portable elevator which is a very large tandem truck with two units behind it. It has the ability to weigh grain as it goes in. The truck driver does the dockage testing and provides a grade. It makes certain that particular process which some companies are now engaged in is done in a way that provides the kind of paperwork transactions that will protect the producer.

The prospect of watching 2,000 bushels of flax or peas walk off the farm maybe to disappear without the proper paperwork in the event that particular grain dealer turns out to not have been properly bonded is not one a farmer looks forward to. This attempts to address that by requiring these kinds of operations to do the same paperwork as elevators do.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I would like to make a few comments on Motion No. 6. The purpose of this motion is to add to transportation requirements for grain being shipped out of Canada the stipulation that unless an exemption has been provided for under the act which is already available, that the seller of the grain, the farmers in most cases, be provided with documentation stating the weight, dockage and quality of the grain. That is the intent.

• (1325)

There is a concern no doubt that when farmers load their trucks, as the hon. member just explained, not knowing the grade, the weight and the dockage then they are trusting that the people at the other end will give the proper payment for the commodity. That is a concern. Who would like to see a truckload containing $10,000 or $20,000 worth of commodity in extreme cases going out of the yard and not knowing exactly what they are going to be paid for?

However, I believe this amendment does not provide a solution. Instead, for farmers and businesses that are operating in this way with pickups on the farm or by producer cars, dealer cars, rail cars, it would make it very difficult if not virtually impossible for them to operate.

While I would like to know that every time farmers are shipping a load of grain off the farm they know they are getting paid for it, if we look at the practicalities it just is not possible. We have to recognize that. For that reason I oppose the amendment.

[*Translation*]

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, the purpose of the motion standing in the name of the hon. member for Mackenzie is to add standards for public carriers. It would prescribe that grain carried by a public carrier must first have been weighed and cleaned and its quality designated.

According to the Canadian Grain Commission, no amendment is necessary since this is already being done in most cases and always when grain is destined for human consumption.

As a result of the proposed amendment, smaller producers who ship feed grain would see their costs increase unnecessarily. If there had been complaints that the quality of feed grain was below acceptable levels, the motion would be justified. Since that is not the case, at least as far as I know, I do not think it would be useful to oblige producers to spend more on precautions that are absolutely unnecessary. If most of these producers happen to use private carriers and the motion therefore does not affect them, it will then have no effect at all, since public carriers would only carry grain for human consumption.

According to the Canadian Grain Commission, this grain is already cleaned and weighed and its quality designated. So we have their guarantee that grain for our own consumption is

being handled in the way specified by the hon. member for the New Democratic Party.

Furthermore, if small producers also have to conform to these procedures, their costs will go up, although we have no reason to believe they should be more regulated than they already are. And if they use private carriers, they will not be affected.

I therefore fail to see the relevance of the motion presented by the hon. member for Mackenzie. That is why the Bloc Quebecois will not support the motion, since all wheat for human consumption is very well regulated and perfectly safe.

• (1330)

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, I will say at the outset that the government does not have any intention of supporting the motion. I will give a few of the reasons for it. There is no question in my mind that what is said in the motion is a bit confusing versus what may or may not be its intent.

It would have a definite impact in the industry of slowing down the movement of grain whether transported by truck, producer car or dealer car. Therefore it would increase the cost to producers, which is certainly not the intention of the government.

At the present time the weight, the grade and the dockage content of grain delivered by a producer or dealer car are immediately determined at the unload. That is the system. To have to do that as the car or truck is being unloaded would certainly slow things up and add a cost. It would also put an additional obligation on the public carriers to have with them at all times the documentation on the grade and dockage. It would shift some of the responsibility to public carriers for having the documentation available at all times.

In practical terms, the motion would mean that when a truckload of grain to be delivered to a local feed mill was loaded by the producer on the farm it would have to be graded. The dockage, the weight and everything would have to be with it to take a load of grain to a local feed mill. That would be absolutely unnecessary. It would be cumbersome. It would slow everything up and be expensive.

We do not intend to support the motion.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Some hon. members: On division.

(Motion negatived.)

The Deputy Speaker: The House will now proceed to the taking of the deferred division at the report stage of the bill now before the House.

Call in the members.

And the bells having rung:

The Deputy Speaker: Pursuant to Standing Order 45(5)*(a)*, I have been requested by the chief government whip to defer the division until a later time.

[*English*]

Accordingly, pursuant to Standing Order 45(5)(a), a recorded division on the motion stands deferred until tomorrow at 5.30, at which time the bells to call in the members will be sounded for not more than 15 minutes.

SUSPENSION OF SITTING

Mr. Boudria: Mr. Speaker, I rise on a point of order. I seek unanimous consent to suspend the sitting of the House until 2 p.m.

[*Translation*]

The Deputy Speaker: Is there unanimous consent to suspend the sitting of the House until 2 p.m.?

Some hon. members: Agreed.

(The sitting of the House was suspended at 1.35 p.m.)

SITTING RESUMED

The House resumed at 2 p.m.

STATEMENTS BY MEMBERS

[*English*]

SENIORS

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, Guelph—Wellington is enriched daily by the contributions of our seniors. We can all learn from their experience and are fortunate to have many seniors as important members of our communities.

Unfortunately as time passes, it becomes more and more difficult for some seniors to care for themselves and each other

in their homes. I congratulate organizations like Meals–on–Wheels, the Victoria Order of Nurses and Life Line that are active throughout Guelph—Wellington and that help our seniors stay in their homes for as long as possible.

Growing old should not mean having to leave the family home. Governments at all levels should encourage our seniors to remain in the family home where memories and stability provide comfort and support. We owe them no less than this.

* * *

[*Translation*]

SEXUAL HARRASSMENT

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, an Ontario judge has ruled that General Motors Corp. did not act properly when it fired a supervisor for using offensive language and making sexual innuendos in the presence of five subordinate female employees. According to the judge, sexually explicit language was the norm in the GM security service.

Members of the Bloc Quebecois are concerned about the implications of such a decision on present and future cases when they go to trial. This decision implies that sexual harassment cannot be invoked when the culture of a given service or company allows this type of behaviour.

In 1987, the Supreme Court of Canada clearly established, in the Robichaud case, that employers are responsible for sexual harassment in the work place. The decision of this Ontario judge reduces the scope of the Supreme Court decision, and we find that regrettable.

This decision is a step backward in our fight for zero tolerance of sexual assault against women. We must oppose it.

* * *

[*English*]

LEADER OF THE OPPOSITION

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I rise today to pay tribute to the hon. member for Lac–Saint–Jean and to say on behalf of my caucus how pleased we are that he is recuperating.

When I arrived at Edmonton International Airport on Thursday evening I received the news of his frightening illness. I was stunned, as were all Canadians. I lay awake almost all night thinking of him, praying that he would live through the night and that the doctors treating him would have real wisdom.

I will always remember the years that the Leader of the Opposition and I sat side by side in the House, from the summer of 1990 until the election of 1993. We talked about the birth of his two sons, Alexandre and Simon. His eyes would light up when he spoke of them, of the incredible joy they have brought to him and his wife, Audrey.

This disease ravages those whom it affects. Mr. Bouchard's life has been spared and it seems nothing short of miraculous.

Good luck, Lucien. We continue to pray for your recovery. God bless you.

* * *

ETHANOL

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, the recent trade mission the government led to the People's Republic of China has been a great success.

One of the agreements signed by Canadian business while in China was the building of an ethanol plant. The people of China will benefit greatly from ethanol. So will the environment of Asia, Chinese farmers and industry. This technology can also benefit Canada.

The proposed ethanol plant to be located at Chatham, Ontario will ensure that this country does not have to rely on foreign produced ethanol and, as in China, our agricultural industry will be able to count on a stable consumer of corn.

Ethanol makes economic and environmental sense. I praise the Chinese government for showing interest in this technology.

* * *

CANADIAN WHEAT BOARD

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, the Canadian Wheat Board is a winner.

Prairie farmers have overwhelmingly demonstrated their confidence in the Canadian Wheat Board by electing 10 strong supporters of the agency to its 11 member advisory board. They have rejected the efforts of a small but vocal group that wanted to weaken the board and implement a dual marketing system. Their vote was a sweeping endorsement of the board and single desk selling.

It is a recognition of the outstanding job that the wheat board has done selling Canadian grain, expanding export markets and working with farmers to make Canada a world leader in agricultural production.

The message from farmers is clear. The future of Canadian agriculture must include a strong Canadian Wheat Board.

* * *

ST. LAWRENCE SEAWAY

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, a recent subcommittee report highlighted our under usage of the St. Lawrence seaway system.

It is my hope the justice department will approve the proposal submitted to it by interested operators to allow cruise ships to sail the lakes. With 14 million Americans within a one–hour

drive of my riding I would welcome approval to allow them to enter Canada to enjoy the pleasure of sailing the lakes.

This is an opportunity for the federal government to see a tidal wave of American tourist dollars enter Canada, with a resulting spin–off being increased employment in our hospitality industries.

Skagway, Alaska with a population of 700 people welcomes 300,000 people each summer from cruise ships. Ports of all sizes along the Great Lakes would welcome the same level of prosperity if timely approval is given.

The Great Lakes Conference of Mayors recognized the potential of this industry more than a year ago. I urge the departments of justice and finance to move this concept to the approval stage quickly before our American neighbours control this industry.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, yesterday, in Montreal, 200 students and unemployed young people came to tell the Minister for Human Resources Development how deeply disappointed they were by the social program reform the Liberal government is trying to impose on them.

These young people, full of energy and eager to work, denounced the cynicism and lack of action of the minister who claims that he is powerless to stem the rising unemployment rate.

These young people strongly criticized the reform which is trying to save money at their expense, going ahead without the provinces' consent, and turns a deaf ear to Quebec's demand to take over manpower training.

These young people refuse to have imposed on them a reform which endangers their future and cuts social benefits hard–won by previous generations. The results of the public consultation are loud and clear: the proposed reform is unacceptable and young people reject it.

* * *

[*English*]

REGIONAL DEVELOPMENT

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the business community is near consensus. The Canadian Federation of Independent Business declared its research consistently shows that small and medium sized businesses advocate the complete elimination of all grants and subsidies to businesses and associations. Yet the Liberals continually insist they are helping small business through regional development.

The Business Council on National Issues had but one suggestion for the federal government: "Just say no". The Canadian Aerospace Industry said: "We have seen attempts to create pseudo–competition by region in this county by pitting companies against each other supported by tax dollars. This has resulted in wasted energy, misguided marketing, lost opportunity, squandered money, and all too frequently, failed enterprises".

If the minister will not eliminate regional development he might as well amalgamate the regional development programs. He could then create a new crown corporation called "Pork Barrel Incorporated".

* * *

• (1405)

INFRASTRUCTURE PROGRAM

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, recently in my riding of Brant, we have witnessed a successful and important example of intergovernmental co–operation.

The town of Paris has recognized that its police station is outmoded and can no longer effectively meet the town's needs. Meanwhile, Canada Post, while continuing to serve the rural and urban residents of the area, has been under utilizing its large building in the downtown core.

After successful negotiations, the town of Paris and Canada Post have reached an agreement under which the town will renovate the old post office into a new and modern police station with the help of infrastructure money, which I might add is another product of intergovernmental co–operation. Canada Post will find a more suitable and cost–effective location to continue its service to the town.

I would like to congratulate the council of the town of Paris and in particular, Mayor Bawcutt, for identifying and implementing this common sense deal. I would also like to recognize Canada Post for its effective resource management and its commitment to the betterment of our local communities.

* * *

POST–SECONDARY EDUCATION

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I was delighted to see a draft memorandum of understanding between Nunavut Arctic College, which is based in Iqaluit, and Trent University in Peterborough. It provides for the development of mutual accreditation of courses, exchanges of faculty, students and staff and the development of other joint programs.

It also provides for the participation of the Nunavut Implementation Commission, Nunavut Tunngavik Incorporated and other bodies in the development of post–secondary education in Nunavut.

Trent has the longest established native studies program in Canada. Many students from the NWT have already studied in that program and other programs at Trent University.

This new agreement formalizes two–way co–operation. I congratulate those involved and look forward to working with the member for Nunatsiaq on projects related to the agreement.

* * *

GUN CONTROL

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, on November 21 my colleague, the member for Cape Breton—The Sydneys, spoke eloquently in the House about the importance of gun control to women.

He pointed out that a woman is shot to death every five days in Canada, half of those by a partner, 78 per cent with legally owned weapons.

I believe that most members of Parliament want to see an end to violence against women and yet offhand comments in the House and elsewhere call into question our commitment. As the Parliamentary Secretary to the Minister of Justice spoke on that day, another member, like a little boy playing with a pretend gun, said: "pow, pow, pow".

Such comments are a tragic betrayal of the hopes of women for a better and safer country.

* * *

[*Translation*]

LEADER OF THE OFFICIAL OPPOSITION

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, after hours of anguish, we learned with tremendous relief that Lucien Bouchard was out of danger. We now hope that he can rest and recover at his own rate.

Speaking for the parliamentary wing of the Bloc Quebecois, I want to thank everybody and the members of this House for their fantastic messages of support and encouragement.

I also want to express our admiration for the Saint–Luc Hospital medical team, for its unbelievable expertise and dedication. Finally, on behalf of all of us, I want to stress the courage and composure of his wife, Audrey, who stood by his side every minute of this terrible tragedy, surrounding him with her loving presence. She, too, deserves all our admiration.

[*English*]

REGIONAL DEVELOPMENT

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, Canada must stop the folly of regional policy. The Liberals continue their borrowing ways and the pork barrel rolls on and on. It is time to jump over the barrel.

Canada could learn from experiences around the world where these programs have failed miserably. The government knows regional development programs are doomed to fail, yet the practice continues.

The finance minister's budget will be quite telling. Will it be business as usual or will the minister heed the Reform message? Western economic diversification has not diversified the western economy. The Atlantic Canada Opportunities Agency is not creating opportunity. The Federal Office of Regional Development is not developing regions in Quebec.

Since their inception, these agencies impoverished the Canadian taxpayer to the tune of about $1 billion a year. It is time to end the folly of regional policy.

* * *

• (1410)

[*Translation*]

LEADER OF THE OFFICIAL OPPOSITION

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Mr. Speaker, I would like to take this opportunity to wish the Leader of the Opposition a speedy recovery.

Setting aside partisan rhetoric and the constitutional differences of opinion that oppose us, all my colleagues from the Liberal Party join me in telling the Leader of the Opposition that he is in our thoughts as he goes through what must certainly be the most difficult time of his life. We also wish his wife, children and family the courage to see him through this ordeal.

The words of support that flood in from all parts testify to the great parliamentary qualities of the Leader of the Opposition.

On behalf of all Canadians, I wish for the speedy return of the Leader of the Opposition among us, here in this House.

* * *

[*English*]

VIOLENCE AGAINST WOMEN

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, tomorrow marks the anniversary of the Montreal massacre.

Today I will not talk of the increased incidents of violence against women reported, nor will I talk about how only 18 per cent of the guns used to kill women were illegally owned.

Instead today I would like us to take one minute to remember the women who were killed that day. We remember the killer's name, but the women are faceless to most of us and just a number, 14.

Tomorrow I would like us to take a minute to remember, Geneviève Bergeron, Hélène Colgan, Natalie Croteau, Barbara Daigneault, Anne–Marie Edward, Maud Haviernick, Barbara Maria Klucznik, Maryse Laganiere, Maryse Leclaire, Anne Marie Lemay, Sonia Pelletier, Michèle Richard, Annie St–Arneault, Annie Turcotte.

Violence against women is not just a women's issue. Violence against women affects all of us.

* * *

HEALTH CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, a serious issue of women's health has yet to be addressed by the government and that is the question of breast implants.

This issue was raised during the mandate of the former government and continues to be a serious issue related to the health of women.

Several organizations across the country of breast implant support groups have been formed and have been asking for assistance to make sure information is available to women who have had breast implants, that there is equal access to surgery for removal of breast implants and access to good primary care.

I call on the government to address this serious women's health issue, to respond to these groups that are requesting assistance and to look into the moratorium on breast implants which has not seen an end of their use.

* * *

TOWN HALL MEETINGS

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have just completed a series of town hall meetings across my riding of Simcoe Centre.

My constituents attended so they could discuss the issues, ask questions and give me their input. A survey was conducted at each meeting and I would like to share the results with the House.

Over 90 per cent responded that they believe there should be mandatory AIDS testing of all immigrants to Canada. There was overwhelming support for the review of social programs and that they be focused on those who are truly in need. Over 90 per cent want section 745 removed from the Criminal Code to eliminate possible early parole for those convicted of first degree murder. They also believe that the names of young offenders convicted of serious crimes should be made public.

On the issue of gun control, my constituents believe that the primary emphasis of new legislation should be placed on the criminal misuse of firearms and firearms smuggling and not new restrictions on legal gun owners.

Finally, I believe that I should represent my constituents and vote according to their wishes. I encourage all other members of the House to do the same.

ORAL QUESTION PERIOD

[*Translation*]

MIL DAVIE SHIPYARD

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, by refusing to take a firm stand on the Hibernia contract issue, the government has made another move which, combined with the actions of the Minister of Transport and the Minister of Industry, will lead MIL Davie straight to disaster.

• (1415)

We learned over the weekend that the Minister of Industry had been keeping secret for more than a year a report on Canadian shipyards that urged the government to depend only on a small number of shipyards and drop MIL Davie.

In light of the unfair treatment of MIL Davie by the Hibernia consortium and the failure of the government to follow through with the Magdalen Islands ferry contract, does the Deputy Prime Minister recognize that all the actions of her government are being dictated by this secret report to the Minister of Industry, which has the MIL Davie slated for closure?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, first of all, before answering the hon. member's question, let me say that I was relieved to learn that the Leader of the Opposition was on his way to recovery. In the months to come, he will have to exhibit incredible strength, something we all know he is capable of, and we wish him much courage in getting better. Knowing the Leader of the Opposition—he is a real fighter—we are confident that he will return quickly.

[*English*]

In the name of all Canadians I would wish the Leader of the Opposition a very speedy recovery. The whole of Canada was watching the events of the last few days. Our hearts go out to him and to his family. We wish his speedy return to the House.

Some hon. members: Hear, hear.

[*Translation*]

Ms. Copps: To answer the question, Mr. Speaker, of course the government of Canada, through the Prime, has expressed disagreement with the policy adopted by the Hibernia consortium. We are aware of the possibility and support tendering. Unfortunately, we are dealing with a private sector consortium that is entitled to make its own decisions and, in spite of the views expressed by the government of Canada, it has decided not to proceed to a call for tenders, as we felt would have been proper and fair.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we asked the Minister of Industry several questions in this House on saving the MIL Davie shipyard.

Are we to understand from the answers of the industry minister, who has always hidden behind the lack of an MIL Davie business plan to avoid facing his responsibilities, that what he really wanted was to follow up on the secret report he has been hiding in his department for over a year, which proposes closing MIL Davie, and that the minister lacks the courage to say so frankly?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I wonder if the hon. member is big enough to admit, first of all, that MIL Davie's shareholder is responsible for announcing its position on the MIL Davie corporate plan submitted by the former Quebec government. That is first and foremost the shareholder's responsibility. That is what I said several times.

Yes, there was a report. That is no secret. The *Financial Post* obtained it on request. That is normal. That is the position of someone who was a consultant. That is not necessarily my position or the government's. Moreover, if MIL Davie wants to succeed, it must do so on global markets. That is what I said several times here.

[*English*]

For any company to succeed in the modern marketplace it must produce goods at a price the world is willing to pay to acquire them. That is first and foremost for any company the responsibility of its management and its shareholders to determine.

When we hear the point of view of the Quebec government on the MIL Davie business plan, when we know whether its unions are willing to support it, perhaps then we can respond accordingly to any further request we have on their behalf.

• (1420)

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the minister knows full well that some contracts were necessary to allow MIL Davie to reorganize. Instead of acting as his responsibilities called for, the minister has always hidden behind the lack of so–called business plans.

Are we to understand that after demanding that Quebec make 90 per cent of the efforts to rationalize shipyards in Canada, the federal government's only goal, after closing the Sorel–Tracy shipyard and the Vickers shipyard in Montreal, is to close Quebec's third major and last remaining shipyard, MIL Davie, so that the shipyards in the Maritime provinces can survive?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, maybe using statistics for demagogic purposes is a good strategy. In fact, Quebec's share of shipyard rationalization is 30 per cent. Please, Mr. Speaker, let us stick to the facts.

Second, I wish to say to the hon. member that it is not a matter of hiding. I think it is essential for a company seeking help from the taxpayers in Canada and Quebec to have a good corporate plan that has been approved by shareholders and workers alike. At that point, we can make a move with MIL Davie.

[*English*]

I cannot understand why the member is not willing to say that we have to find a long term solution. If he would look at the business plan that has been presented, he would understand the business plan does not claim that the long term solution to MIL Davie is one contract turned over from anybody. The long term solution involves fundamental readjustment of that company to a new marketplace.

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[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. Yesterday, the Minister of Human Resources Development greatly disappointed the young unemployed people who had come to discuss his reform of social programs with him. A participant asked him: "Where are these jobs? Tell me; I am ready to work".

Why does the minister have nothing else to offer young people who want to work, who want real jobs, than a so–called reform whose main purpose is to make cuts at their expense? They will be the second–class unemployed. They will have to go into debt to pay their tuition fees, which will double. Why?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member should know, last Friday Statistics Canada released its latest job report. It pointed out that for the first time in six years the jobless rate had dropped to below 10 per cent; in fact it is 9.6 per cent.

Much more important, in the last 11 months 414,000 full time jobs have been created. That is the fastest growing job rate of

any industrial country in the world. The unemployment rate for young people dropped a full two percentage points during the same period of time.

We are living up to our commitment to create jobs. If the hon. member would go back to her own riding and look at it, she would see that the job rate dropped over the past 11 months by 3.1 per cent. It is now below 9 per cent. That is real job creation.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I am sure that the Minister of Human Resources Development is not pleased that 1,364,000 people are still without work, not counting all those who are looking for work and are not declared as unemployed.

• (1425)

Does the minister admit that if he had wanted to do just one thing to help create jobs, he should have reduced unemployment insurance premiums in September, when he knew that the fund had ten times as much as he wanted when he promised to reduce UI premiums: $2.7 billion compared to $240 million?

Young people would have benefited the most from these new jobs.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the fact is that on January 1 the premium rate on unemployment insurance drops down to $3 per hundred. We have already taken the step we committed to in the last budget and the premium rate is coming down.

While the hon. member is exaggerating a number of figures, I remind her that she should recognize at the end of this year the cumulative deficit for the UI fund will be over $3 billion. Until we get that cumulative deficit down, because it is a real drag on the economy, we will not be in a position to make changes. By the time of the next budget I am sure we will be in a position to have a better report or a better analysis. In the meantime we have to move to get that $3 billion deficit out of the way.

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GOVERNMENT OF CANADA

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, one of the promises in the red book was for more transparent government. I have not read the fine print but I do not think that meant government leaks.

Today the industry minister's orange paper takes it place with the GST report, the HRD green book, the justice minister's action plan on gun control and the defence white paper. All were conveniently leaked to the media before the official announcements were made. The government's complete disregard for Parliament reinforces fears of Liberal arrogance.

My question is for the Deputy Prime Minister. Why is the government showing such disdain for the House of Commons and what is it doing to end these leaks?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I assure the hon. member that it was out of a desire to present the next paper in our series of papers on the economy that I decided to make the presentation in the House of Commons this afternoon, which I will be doing immediately following question period.

For that matter, I want the hon. member to know that there is no obligation either under the rules of the House or otherwise to make such a presentation in the House. I want to assure him that we will be very interested in hearing his support for a plan which should help build a more innovative economy.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, the government totally missed the point.

The problem is that leaks are occurring and they are unprecedented. Leaks to the media must be at the top of every government communications plan. The government leaks like a badly fitting diaper. The government is making a mockery of the House of Commons with every proposal it produces. While opposition MPs are sworn to secrecy and they are stuck in departmental lockups, Liberal spin doctors are out descending on the media like locusts.

My supplementary question is for the Deputy Prime Minister. Are these leaks part of a deliberate communications strategy on the part of the government?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I have a certain amount of experience with fitting diapers. We always preferred the reusable rather than the disposable in our household.

I assure the hon. member it would be of very great concern if information were leaked that could either affect the markets or could lead to somebody prospering inadvertently or indirectly. In the case of the information I have seen published as a result of these documents having reached the public domain, no such case will occur.

I assure him that the participation of members of Parliament in discussion coming from the proposals we put forward in the action plan is of great importance to us.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I could quote instances when the Liberals were on this side of the House and they condemned the government for leaks. They are promoting more leaks that are far worse than the previous government did.

Time and time again they place political strategy ahead of parliamentary procedure and have shown no respect for the House.

• (1430)

They seem to think that polls give them a blank cheque to do as they please. I have news for this leak infested government. Reform MPs are tired of its arrogance and it is starting to wear thin on Canadians too.

Will the government investigate this process of leaking proposals and reports before they are even tabled in the House? Will it take the appropriate and necessary action?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the point is being missed here. Most of the matters I have seen reported in the newspapers today were matters which were debated and discussed in various fora over quite a number of months. In many ways what we see today is the culmination of many months of consultation, of discussion and of thought which have been engaged in among members of Parliament as well as in the House.

I know the member is concerned about this because he recognizes the strategic importance of this document. I hope for that reason he will take the opportunity afforded to him to study it, to read it, to make further suggestions. I believe it plays an important part in the gradual unfolding of an active government policy on economic development in Canada.

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[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

More than two months after he tabled his working paper on social program reform and two weeks before the public consultations end, the minister has tabled only four of the nine technical papers that are to lay out the directions of his plan. This delay suggests the worst, especially as far as education and welfare are concerned.

In view of the urgency of making all the relevant information public, so that a real debate can take place on this reform which will directly affect millions of Quebecers and Canadians, how does the minister justify this delay?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I believe the rest of the papers will be tabled publicly within the next 10 days.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, does the minister not agree that this delay and the lack of information in the papers already tabled, as the Auditor General pointed out, are because the minister has gone ahead with this reform blindly, just so that he can make the cuts required by the Minister of Finance?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, that may be the case but I just read a large scale national survey this week. It showed that 96 per cent of Canadians believe major changes have to be made in social policy. It may be that the hon. member does not understand but 96 per cent of Canadians are in favour of what we are doing.

* * *

GOVERNMENT SPENDING

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, my question is for the Minister of Industry. It appears the industry strategy seems to be one of shuffling money around, not reduction in spending. Yet this morning the Minister of Industry stated on "Canada A.M." that his departmental budget would be reduced by as much as 50 per cent by the end of the third year. That is two years from now or less than that.

Can the minister tell us specifically what will be cut?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I will not disclose that. As the member knows we are involved in an ongoing process of program review which is in effect, as the Prime Minister announced in September in Quebec City, a basic review of each and every program in every department and agency of the Government of Canada from bottom up.

I believe this review is important. It is a vital part of our own plan in order to achieve our objective of reaching 3 per cent of GDP as the level of the deficit by the third year of the mandate. In the industry department we are prepared to make the changes that, as the member indicates, will result in an overall budget decrease of almost 50 per cent by the third year of the mandate.

• (1435)

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, that is exactly the answer I expected the minister to give.

I think it is about time that we get down to some specifics rather than these generalizations. It has been very clear that Canadian business has said the best way for government to create a competitive environment is to reduce taxes. Yet there is no such statement in the industrial strategy.

Why will the minister not make a definitive commitment to reducing taxes?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, because one of the happiest days of my life so far was the day I was told I was not Minister of Finance.

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[*Translation*]

CANADA LABOUR CODE

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

On September 19, here on Parliament Hill, the minister promised Ogilvie Mills workers that, by December, he would table amendments to the Canada Labour Code, introducing anti–scab provisions. Yesterday, the minister reneged on his promise, giving as a pretext that his department was preparing another bill on pay equity.

How can the minister justify his about–face regarding the need to introduce anti–scab provisions in the Canada Labour Code? How can he justify his about–face, except by an obvious lack of political courage?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, no, it just means that we are doing a very thorough job of consulting with business, labour unions and other parties that would be affected. We are trying to do a major rewrite of labour codes. I have assigned the assistant deputy minister for labour to undertake that process. He is busily engaged at the present time reviewing the various aspects and a fairly broad based set of proposals. As soon as that is ready we will present the appropriate legislation to the House of Commons.

[*Translation*]

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, how can the minister justify his refusal to table a bill before Christmas by saying that there is not enough time, when all that is required is a few amendments to the Canada Labour Code?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member should know that it is not as easy as that. Certainly our experience over the last several months is that when we table amendments the members opposite usually hold up that legislation for weeks and months on end.

I have asked our assistant deputy minister to make sure that we have a very carefully assessed, very carefully judged set of reforms and proposals to make to the labour code.

As the Minister of Industry put in his paper today, the reform of the workplace, reform and modernizing our whole labour relations is the key to economic growth and development. Therefore we want to make sure that we do it right.

The Speaker: I would encourage all of us to listen to both the questions and the answers. It takes time to both pose and answer but I would ask you to curtail both the questions and the answers.

* * *

SMALL BUSINESS LOANS

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the government is reported to be increasing the total value of loans it guarantees under the Small Businesses Loans Act to $12 billion, an increase of 300 per cent. The program now loses about $100 million a year.

Would the Minister of Industry tell the House why taxpayers should underwrite Canadian banks by assuming liabilities that should properly fall to entrepreneurs and banks, not taxpayers?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, there are really two questions there. The first one is why should there be a Small Businesses Loans Act program in the first place. The answer to that is very simply that the primary reason for getting loan capital to many small businesses is to provide some government guarantee, thereby offsetting the fact that many small businesses lack the security they require in order to otherwise borrow from the banks.

• (1440)

In answer to the question about subsidies, I would like to assure the hon. member that we are proposing changes to the SBLA program and further review which will move that program to one which is fully cost recoverable because I agree with him that it should not be an indirect subsidy to the banks.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the business community and banks cannot be blamed for taking advantage of government largess. If we are dumb enough to give it to them they are going to be smart enough to take it. We have to put a stop to it.

We do not have a revenue problem in our country. To paraphrase a colloquialism, which is not intended to anybody in this House certainly, it is government spending stupid that we have to get under control. It is those three or four words.

The business community has time and time again told the government to reduce the tax burden on business and individuals. What specific measure has the Minister of Industry taken that will reduce government spending which will in turn reduce

government borrowing which will in turn reduce interest rates and taxes?

Hon. John Manley (Minister of Industry, Lib.): Let me say, Mr. Speaker, that I am sure the member will agree with the thrust of the document which we will be tabling today. It does recognize the fact that the key to continued economic growth and job creation is going to be the private sector and that it is important for government to do as much as it can to stay out of the way of the growth and job creation potential of the private sector.

That is how we intend to move the economy forward so that as the cycles go up and down overall we see a general gain in employment levels as well as in productivity and the economy. That is the key to it.

Do we need to reduce spending? Yes, we need to reduce spending. That was the purpose behind the consultation process that my colleague, the Minister of Finance, launched in this House and in the finance committee a few weeks ago. It is toward that end that we will be working in this February's budget.

* * *

[*Translation*]

BOVINE SOMATOTROPIN

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Health.

The Director of the Bureau of Veterinary Drugs at Health Canada, who is currently on leave without pay, is lobbying MPs, on behalf of a group of private drug companies, regarding the virtues of bovine somatotropin.

Does the minister realize that this paradoxical situation in which her department finds itself, with a senior civil servant responsible for the Bureau of Veterinary Drugs now acting as a lobbyist for drug companies interested in marketing somatotropin?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the person in question is on leave of absence without pay and as such has not been involved at all on the file having to do with BST.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, does the minister realize that such leniency in dealing with this unacceptable situation completely destroys the credibility of Health Canada with the public and with the dairy industry, as well as her own credibility as minister responsible?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, as I already said, the person in question is on leave of absence without pay, is employed by another centre at this time, is not speaking for Health Canada and has not been involved in the BST file.

* * *

[*Translation*]

THE ECONOMY

Mr. Raymond Lavigne (Verdun—Saint-Paul, Lib.): Mr. Speaker, my question is directed to the Minister of Human Resources Development.

Most of my constituents are very pleased with the numerous signs of economic recovery, including the slide in the unemployment rate. Many, however, especially young people and women, remain concerned about their future. What steps does the minister intend to take to ensure that the benefits of this recovery are enjoyed equally by all Canadians.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as members will recall, last spring we introduced a major program for youth employment which sponsored in particular major internship programs in which we would work with the private sector and educational institutions to sponsor on the job training programs for young people.

• (1445)

Up to this point the program has only been working for four or five months. Already close to 10,000 young people have enrolled through private sector arrangements to help them with that major problem of school to work transition. It is our aim by next year to have close to 60,000 young people enrolled.

I believe the new wave of the future is to bring business, government and education into partnership to provide better opportunities for Canadian youths.

* * *

REGIONAL DEVELOPMENT

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, my question is for the Minister of Industry.

Business leaders and academics and most recently the *Globe and Mail* have called for the end of regional development agencies across the country. The Minister of Industry has one industrial strategy yet other ministers have another strategy.

How does the Minister of Industry explain the obvious contradictory messages being sent out? While he says that regional development programs do not work, his colleagues are handing out over a billion dollars a year to repeat defaulters,

huge corporations that do not need the money, lobby groups and friends of ministers. Which one of these incompatible ministers are we supposed to understand?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, not only have I not made the statement the member alludes to but I would say to him that he has made a startling allegation and it is incumbent upon him to provide facts, dates, numbers and names. We will be happy to look at them.

Let me say also that a key component of an economic development strategy has to be one that recognizes the differences that exist among and between the regions of this country. We have a very large country with quite a varied economy.

The role played by the federal government in understanding the differences among regions, in meeting the needs and requirements of sectors as diverse as those in natural resources as well as those in the manufacturing and new advanced technology sectors is one which requires a great deal of co–ordination across government. That is what we are endeavouring to do.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I could have retracted one statement because these people do not have too many friends.

We are releasing a report this week on regional development which showcases the government assisted gravy train which is off the tracks.

The Minister of Industry is on record as opposing massive grants and subsidies to businesses. Therefore, what assurance can he give the business community and Canadian taxpayers that he will fight the difficult decision among the ministers of goodies who have two different messages coming out, one from two ministers of goodies and another from the Minister of Industry?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, let us try to keep some perspective on what we are trying to accomplish here.

The member will know the concern I have about assistance to business is that it be very strategic in target. That is in line with the strategy other ministers who have responsibility for economic development are pursuing.

As the member will know, we need to make sure our investment in economic development is strategic. It is targeted and focused. It recognizes the need to recognize those sectors in which high risks are prominent, in which other countries are providing assistance to their businesses, in which the markets for goods and services being produced are international and therefore subject to the discipline of international marketplaces.

Those are criteria that apply to regions. Those are criteria that apply to sectors. We have been very consistent in seeking to put our assistance to business programs on that kind of footing.

[*Translation*]

SITUATION IN BOSNIA

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is directed to the Minister of National Defence.

Yesterday in Budapest, the Minister of Foreign Affairs said that we should give the search for peace in the former Yugoslavia a last chance and that he used the expression "last chance" because he thought an agreement was not far off. Meanwhile, the Bosnian Serbs still refuse to listen to reason and accept the peace plan proposed by the majorpowers, including the United States and Russia.

• (1450)

Could the Minister of Defence tell us what grounds his colleague at Foreign Affairs has for being so optimistic, at a time when the Bosnian Serbs still refuse to accept the peace plan proposed by the contact group?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in Budapest the Minister of Foreign Affairs was stating the obvious and I believe a position all Canadians would support. That is that this country believes the only way out of the terrible tragedy which is unfolding in the former Yugoslavia is through a negotiated settlement.

The Minister of Foreign Affairs was expressing that optimism. I hope the hon. member shares it. If he does not I would like to hear the alternative from him.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I am sure we would love to share the optimism of the Minister of Foreign Affairs. Could the Minister of Defence indicate what the Canadian government intends to suggest at the meetings of the CSCE that would help revive negotiations and lead the Bosnian Serbs to finally accept the proposed peace plan?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, this morning, the Prime Minister himself stated the importance of a negotiated peace. There is also the fact that at this very moment, 55 Canadians are still being detained in Bosnia, and I think that, following the release of 53 Dutch and British soldiers, we first want to ensure the release of our soldiers over there.

That being said, their release is expected to be imminent, and the pressure is being kept up at all levels, including the CSCE, the UN forces and all international means, as the Prime Minister did this morning.

[*English*]

WESTERN ECONOMIC DIVERSIFICATION

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, my question is for the Minister of Industry.

The Department of Western Economic Diversification has loaned $670 million to companies in the four western provinces since the Tories invented the department. Only about 25 per cent of those loans are currently being repaid. Many experts predict that the default rate will be in the 40 per cent range.

Given that the minister has publicly stated he is not in favour of massive subsidies and that he said earlier today that he favours private sector development, is he prepared to admit that regional development programs are not effective ways of enhancing Canada's economy?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, first I would like to say to the hon. member that both his facts and his assessment are wrong.

We have made major changes in western economic development so that we are not giving large grants to large businesses. We are now providing basic assistance to firms with under 50 employees so that we can help them deal with some of the challenges in the export market, such as meeting quality testing and other kinds of requirements.

I will give one example. A few months ago we were able to assist with a very small grant of $200,000 the Vancouver based firm Northstar which allowed it to secure a $30 million line of credit with one of Canada's major banks so that the firm could provide export financing for small business. Since then the firm has already had 2,000 applications for financing of small business export development around the world.

It seems to me that was one very good investment that will help thousands of western Canadian companies secure new markets. The hon. member should get his facts straight.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, speaking about facts, perhaps the minister could get his facts straight. One good investment out of $1.2 billion worth of regional funds is not good enough in this country.

Since the Minister of Industry will not answer the question, my supplemental is for the Minister of Human Resources Development. There is a world of difference between entrepreneurs taking risks with their own money and taking risks with other people's money, especially when it is the taxpayers who will have to pay the interest on the borrowed funds and the defaulting loans.

What does the minister consider as an acceptable level of risk from his Department of Western Economic Diversification as it continues to flush taxpayers' money down the drain? Where is the rest of the justification on the $1.2 billion?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member knew anything about the way the program worked rather than just repeating a bunch of mythology and garbage he has heard from other people he would realize that most of the money is coming back by repayable contributions. Western economic development recycles money back into business so we can create jobs. I understand the Reform Party is not interested in jobs, it is not interested in employment and it sure as hell is not interested in western Canada. I can tell you that.

* * *

• (1455)

TRADE

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, the Minister for International Trade has pushed very hard for Chile to join NAFTA. He visited Chile last January and he has made numerous speeches on the subject.

Can the minister explain why he believes it is in Canada's interests to have Chile join a free trade agreement?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the question is entirely topical in that we do hope to make some real progress on the accession of Chile to NAFTA at the Miami summit of the western hemisphere later this week.

There are three reasons. Principally while we urge and have continued to take a lead in urging the early accession of Chile to NAFTA, one is that Canada is a principal investor in Chile. We have already promised a $4 billion plus investment in Chile. The second reason is we want to counter the confusing network of trade rules that are becoming a problem for members of our business community as they develop their trade in the western hemisphere. The third reason is that we are in favour of open markets, market liberalization throughout the world and the step toward the integration of Chile in NAFTA—

The Speaker: Three kicks at the can and that is about it. The hon. member for Drummond.

* * *

[*Translation*]

BLOOD SUPPLY SYSTEM

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health. On December 1, impor-

tant elements in the report of the expert advisory committee on the safety of Canada's blood supply system were leaked to and disclosed by the media.

How can the minister explain to us, as mentioned in the report of the expert committee, the blatant lack of rigour in Health Canada's Bureau of Biologics, which has the huge responsibility of checking the quality of blood products and facilities at all 17 transfusion centres of the Canadian Red Cross Society?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, as you can appreciate, this is a very sensitive subject. This report is in the hands of the Krever Commission. I will not comment on this until the commission has held public hearings on this issue.

* * *

[*English*]

CANADIAN WHEAT BOARD

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, on Friday the results of the Canadian Wheat Board advisory elections were made public. It is not a surprise that less than 40 per cent of farmers turned out to vote for these largely symbolic positions. It is a surprise that leading up to this election Lorne Hehn, the chief commissioner for the Canadian Wheat Board, campaigned actively for a group of candidates who had a specific political agenda.

Does the minister of agriculture condone the fact that the chief commissioner who is supposed to be politically neutral campaigned actively during the advisory committee elections?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, to the best of my knowledge the chief commissioner and a number of the commissioners of the Canadian Wheat Board participated in public meetings during the fall. They discussed a broad variety of aspects pertaining to the marketing of western Canadian grain. To the best of my knowledge they were not actively involved in any campaign with respect to the election of the advisory committee to the Canadian Wheat Board. If the hon. member has any information to the contrary I would be happy to have it.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the same minister who has had a chance now to analyse the results of that same advisory committee election which demonstrated overwhelming support for pro–wheat board candidates.

• (1500)

Since the sole support for dual marketing and the subsequent weakening of the board's powers is clearly seen to be limited to a small minority special interest group, what action will he take to protect and reinforce the ability of the board to act in the best interests of the vast majority of producers who support the board?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I have already indicated on a number of occasions that I will be providing the opportunity this winter for farmers to become engaged in a discussion about the marketing systems that they regard to be most appropriate and in their interest.

In the course of that kind of objective, reasonable, rationale dialogue, the respective merits of certain marketing systems will become obvious. I would imagine under the close scrutiny that public dialogue and examination gives, the Canadian Wheat Board will be able to demonstrate its merits very effectively.

* * *

TRADE

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, my question is for the Secretary of State for Agriculture and Agri–Food, Fisheries and Oceans.

The Prime Minister's recent trip to China secured trade opportunities and created wealth for our country. On the heels of this success, can the secretary of state tell the House what is being done and what will be done to promote Canada's fishing products in the far east?

[*Translation*]

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri–Food, Fisheries and Oceans), Lib.): Mr. Speaker, my colleague was certainly inspired by the Holy Spirit, since her question is quite timely.

[*English*]

I will have the honour of leading a Canadian delegation to China for the first ever China Fish Processing Expo on December 10–15.

Nineteen executives, representing 11 Canadian companies, will be participating in an attempt to forge closer links with the Chinese fishing industry and also explore business opportunities.

Furthermore, of 15 booths made available to participants outside China, 10 have been reserved for Canadian companies at that Expo. It goes without saying that Canadian participation is in keeping with the new spirit of closer ties between China—

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

[*English*]

THE ECONOMY

Hon. John Manley (Minister of Industry, Lib.): Madam Speaker, under Standing Order 32(2), I am tabling a document, in both official languages, entitled "Building a more Innovative Economy".

I will have remarks to make apropos this document.

* * *

• (1505)

[*Translation*]

JOB CREATION AND ECONOMIC GROWTH

Hon. John Manley (Minister of Industry, Lib.): Madam Speaker, before beginning my speech, I would like to join the Deputy Prime Minister, who spoke earlier, in wishing the leader of the opposition and his family a lot of courage on his way to recovery.

Today on behalf of my Cabinet colleagues, I am putting forward the next key part of the government's jobs and growth agenda. This plan introduces over 30 concrete measures involving ten Ministers and their departments "to help create a climate where business can create more jobs for Canadians", if I may quote the Prime Minister.

But before I turn to what we will do next, let us revisit where we were just over a year ago when this government took office.

[*English*]

We were faced with an unemployment rate when we took office of 11 per cent. Business confidence was volatile and consumer confidence was very low. After two years of a half–hearted jobless recovery, fewer Canadians were working and the economy was producing fewer goods and services than at the beginning of the decade.

As a government our first order of business was to work with other levels of government and the private sector to get the recovery moving. Our first weeks in office were characterized by decisive action, including the launching of the national infrastructure program. The reward for leadership and action has been a continuing rise in confidence and improvement in the overall economic conditions of the country.

Most important of all, more Canadians have jobs. Since taking office 414,000 jobs have been created by Canadians for Canadians. Only a year ago people were talking about unemployment rates in excess of 10 per cent to the year 2000. As of last Friday we broke the 10 per cent barrier and Canada's unemployment rate stands at 9.6 per cent. But the government believes it has to do better than just recover from the last recession.

The cycles of recession and recovery over the last three decades have shown some disturbing trends. Decade over decade average unemployment rates have risen, productivity growth has fallen and with it real incomes of Canadians have stagnated.

[*Translation*]

The time has come to reverse these trends. The time has come to get average unemployment rates down permanently. The time has come to increase productivity, thereby increasing real incomes. But you cannot do this simply by wishing or declaring it to be so. What is required is decisive action by government, wise investment by business and labour, and a new model of co–operation and partnership.

[*English*]

The government is taking decisive action. That is why we have launched a root and branch review of our social programs. That is why the Minister of Finance has set out a new framework for economic policy. That is why we are reviewing every program in every department and agency of the federal government. That is why the government is committed to reducing the deficit to 3 per cent of GDP, come hell or high water. That is why I am introducing Building a More Innovative Economy.

At the outset let me say that this plan will disappoint some. It will disappoint those who believe that government can and should do everything. That approach defined the success of economic programs by bigger budgets, not better government. That is an approach I reject.

This plan will also disappoint those who believe that the best thing government can do is nothing. That is not our view. We believe that economic leadership by government can contribute to economic success.

• (1510)

The fundamental premise behind Building a More Innovative Economy is that it is the private sector, not government, that creates jobs. What government can do is to improve the climate for the private sector to create those jobs.

Where can good government make a difference? The first priority is building a healthier marketplace. Business needs better access to the financing required to help it grow. It needs a labour–management environment that is more co–operative, less adversarial. It needs fewer and more focused government programs. It needs regulations that makes sense. It needs fewer demands from government to fill out forms and shuffle paper.

Tomorrow the President of the Treasury Board will announce the details of our plans for regulatory reform and paper burden reduction. We will use the power of government purchasing as a strategic tool for small and aboriginal business development and growth. My colleague, the Minister of Public Works and Gov-

ernment Services, will soon announce the details of this initiative.

Our second strategic priority is trade. The challenges here are crucial for all Canadians. For jobs, incomes and prosperity we depend more on trade than almost any other country does. Yet we are not the nation of traders that we could be.

[*Translation*]

That is why my first priority as Minister of Industry was to achieve Canada's first internal trade agreement—the beginning of a process that will bring down interprovincial trade barriers.

And that is why in the early days of its mandate, the government moved quickly and decisively to improve Canada's international trading arrangements both in North America and elsewhere in the world.

[*English*]

That is also why the Prime Minister has made international trade a personal priority. The recent Team Canada trip to China was an unprecedented success, showing how Canada can succeed in global markets when we work together. We will build on this momentum.

This plan introduces a variety of steps we will take to improve Canada's trading performance. For example, my colleague, the Minister for International Trade, will introduce measures to help develop globally minded businesses. Our challenge as a government is to equip more and more Canadian firms to win in the fiercely competitive international marketplace.

[*Translation*]

We will focus on support to small businesses that are entering export markets for the first time and target resources for exporter preparation.

We will improve export financing measures.

Taken together, these measures will quickly enable more Canadian firms to meet the challenge of international trade.

Also, a large component of our balance of trade accounts is in tourism. Tourism is big business in Canada and, for the last ten years, we have done a pathetic job promoting ourselves to the rest of the world. That is why last year, Canada suffered a travel account deficit of almost $8 billion.

[*English*]

That is why the Prime Minister announced we will be establishing a Canadian tourism commission to work with other governments and the tourism industry to be more aggressive in marketing Canada as a safe, beautiful and sophisticated destination, meeting the needs of almost every traveller.

• (1515)

Our third strategic priority is infrastructure, both physical and intellectual. This is an area of comparative advantage over which we have control. In this area the government is working on several fronts. The Minister of Transport is producing a new direction for transportation in Canada to meet the needs of the 21st century. The Canada infrastructure works program is well under way and will create a further 65,000 direct jobs.

Today I am announcing that the government will proceed with phase II of CANARIE, the Canadian network for the advancement of research, industry and education. This commitment will accelerate progress on the Canadian information highway.

In addition, I am announcing a continuation of the SchoolNet program which will see all of Canada's 16,500 schools and 3,400 libraries connected to the information highway by 1998, a full two years before the target set by vice–president Gore for the United States.

Our fourth strategic priority for building an innovative economy is science and technology.

[*Translation*]

In the world today, virtually all product innovation is science–based, the result of research and development. And nothing is more important than product innovation for businesses to maintain and improve market share, thus contributing to economic growth and productivity.

[*English*]

Therefore, nothing is more important for jobs. I believe that no one will dispute the importance of the federal government's role in science, technology, research and development. The need to be more strategic and to ensure that our investment in this area supports Canada's social, economic and environmental goals led to the launching of a comprehensive science and technology review last June.

This review is nearing completion and will set the stage for a clear articulation of a renewed science and technology strategy for Canada.

[*Translation*]

Building a more innovative economy lays out specific initiatives to do just that: build a more innovative economy. My plan is a series of over 30 initiatives involving ten ministers and their departments—a truly government–wide effort in responding to the challenges of economic leadership.

[*English*]

It is not a panacea. Panaceas do not exist. It is a co–ordinated plan of action, responsive to the real needs of the private sector, a result of consultation, a commitment to a work plan and the accountability that comes with it.

The challenge before us is clear, to push the limits of this recovery and to achieve real and sustained jobs and growth. We will not decree an innovative economy. That simply means we must work together to build one piece by piece. I believe we can do that by acting together, by focusing on real results and by targeting our programs and reducing our spending to meet our deficit commitment.

We said in the red book: "Dynamic economies constantly re–invent themselves and grow through innovation. Innovation and experimentation inevitably entail risk and the possibility of failure. It is the job of government not to protect entrepreneurs against all failure but rather to create the best economic conditions and institutions to allow entrepreneurs to get on with the job".

Building a more innovative economy is a plan of action to implement this vision.

• (1520)

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Madam Speaker, I would like to react today to the tabling of the industry minister's policy statement for his department.

Although this document has some good points, as we admit, we can only see it as a political document that seeks to make up for a non–existent substantive industrial policy; we were entitled to expect a substantive policy, given the state of the Canadian economy.

The statement refers to a plan of action for some thirty programs involving co–operation among ten or so departments. We already know that for some aspects of the announced action plan, some ministers will work together and we will only see the results in 1998, according to information we obtained for parts of the document. Some plans will only take effect in 1995, if then, according to conversations I had with people in the department.

We therefore think that this paper is premature, since the proposed new policies depend on other departments' policies which are not yet known or will come, very late, from consultations that are still incomplete and program reviews that are a long time coming.

We know very well that several key documents on social programs have not yet been tabled. How can the minister boast that his policy takes into consideration all that businesses need to achieve the desired growth? For example, the action to be taken by the Department of Public Works will not be known until 1995.

The minister wants to promote growth for small businesses by opening up government procurement and allowing companies to have access to what is available in terms of such procurement. However, we have no idea of where this will come from, nor when the action plan will be completed.

In the context of that growth, how will this access to government procurement for small businesses work? Will companies be allowed to register in some file? Will there be calls for tenders for professional or technical services? How will this plan work? We do not know. For companies, growth does not mean the same as development. Indeed, the growth of some companies does not necessarily promote economic development for a territory or a region.

Given these unknowns, we find it hard to understand why the minister is so quick to extol the virtues of his action plan and say that it meets an urgent need in the economy, and particularly a desire to develop small businesses, which will generate employment as everybody agrees.

The strategy for technological innovation is another example of the government's lack of global vision. Indeed, the minister is considering a technological innovation policy without knowing the results of the current consultations on research and development, which will only be completed in 1995.

The minister talks about consulting with partners. However, when you think of the information highway issue raised by Quebec, it is very hard to see the minister showing leadership, since his government is totally opposed to any dialogue on this issue.

How can the minister justify the existence of a true technological innovation policy while putting on the back burner the whole issue of research and development? By definition, innovation implies the search for new products and processes, so that companies are competitive in the international market. Otherwise, we obviously cannot talk about competitive businesses.

In his action plan, the minister proposes three strategic priorities: Support for small businesses, infrastructure and technology. As far as support for small business is concerned, the minister reluctantly proposes to maintain funding support through the Small Businesses Loans Act program. I say reluctantly since it is only because this program is mentioned in the red book that the minister has decided to maintain it, although without implementing the red book promise to get rid of personal collateral.

The minister is announcing that available funds will be increased to $12 billion because this program gets results. In itself, this is good news.

• (1525)

This program is so popular that businesses register quickly. Small businesses are a well–known fact; they are dynamic, eager to innovate and expand. On the other hand, the minister is announcing that the program will have to be self–financing. This is what the government is seeking, to go and get back the money it loaned. I believe that to be its fundamental goal. In itself, it is laudable.

But if we compare that to what the Minister of Human Resources Development is suggesting when he says that access to credit will be made easier for students, we quickly understand the equation. To save public funds, the government is forcing individuals into debt. What is the impact of this on SMEs? Are they going to be pushed deeper into debt or will they really get help to start up or develop domestically or internationally?

Thus, without even conducting a cost–benefit analysis, which could have shown the efficiency of the program and indicated which policy was preferable with respect to tariffs, the minister is acting, in our view, as an amateur, increasing, without any consultation, the cost of financing SMEs. We can draw a parallel with the social reform whereby the government says that it will cut support to students, but they will be given the chance to go deeper into debt while the government sets up mechanisms to recover the loans it guaranteed.

I wonder whether this is a responsible way to behave for the government and especially the industry minister, in the present economic context. Although some people on the government side sometimes think we are the bad guys, I must congratulate the minister on announcing measures to reduce red tape.

Everybody is complaining and rightly so. Everybody agrees, every time you want to do something you have to fill out 16 different forms and send them all over. Therefore this is a good move by the government. Reducing red tape is something SMEs have been asking for for a long time in order to stop wasting time and resources. Imagine having to submit 119 pages of information to get $10,000. Finally we are giving SMEs what they have been asking for.

However, I would like to point out to the minister that we are here to promote a sovereign Quebec and I mentioned the information highway where the message to the minister was to open up to negotiation and co–operation. The minister did not open up, so I remind him that under our option, a level of government—the federal level—will disappear, thereby reducing red tape, inefficiencies and regulations often at cross purposes, making our industry much more efficient. This is a clear goal.

The government is continuously reminding us that we must create the atmosphere for growth in the high–technology sector. We agree. SMEs in that area represent the future of our industrial base. True, high–tech SMEs are creating the jobs of tomorrow and will be mainly responsible for our ability to maintain the high standard of living we need and must have.

It is therefore regrettable that the government would not propose any policy to stimulate their growth and, in particular, improve their financing. We must realize that these companies pursue speculative endeavours and have specific financing problems. Banks are seldom willing to finance technology and this brings me back to the role of government. It says it wants to recover its money, and it acts like a banker. We know what a bank does, it loans money when it is reasonably certain that it is secure. Precisely what the government is doing.

Yet, there are technological areas where risk is high. It is impossible to act like a banker in the sense that we cannot expect all the guarantees that a bank would normally require. That is obvious.

• (1530)

If we really want to encourage the development of these businesses, we must provide ways to find more appropriate funding for them. In our dissenting opinion to the report of the industry committee we proposed extending the Small Businesses Loans Act in order to fund the working capital of all businesses. This would have made it possible to support the financing of small and medium size high–tech enterprises. Instead, this government proposes a piecemeal strategy with a program that would only provide exclusively for the financing of exporting SMEs.

Even the Canadian Association of Exporters recommended to the industry committee—and I do not know if the minister has heard about it—that the working capital of exporting SMEs be financed under the act. The government does not listen to the people involved.

As for infrastructure, the minister praises the transport minister's policy. We have seen what has been going on in that area up to now and we are not at all heartened. If this is an indication of what this government intends to do about transportation, we should expect the worst.

We believe that the national policy on airports, among others, is nothing but a disguised way to pass on the cost of regional transportation to municipal and provincial governments. This process had begun under the previous government and we already see costs being passed on to other levels of government.

Furthermore, the federal government has the nerve—and this is important because they did it in several departments—to keep the revenue from the national network of airports and use it to finance regional airport infrastructure while disavowing any responsibility for their operating costs. This is how the federal government wants to manage public property and public funds throughout Canada.

This is what federalism is all about. This is it. The federal government keeps the power even though it cuts funds and totally withdraws from the administration of services. As we were told, it does not have any choice, it is debt–ridden. It will have no choice but to turn to the provinces for help, and will be

unable to return the favour. The facts are really very simple. Everyone understands the situation.

The Minister of Transport is following a policy which jeopardizes some regional transportation facilities and will greatly increase the cost of transportation from region to region.

The information highway is the best example of the total lack of consultation and co–operation between the federal government and the provinces. As I said earlier, the minister is about to ask the CRTC to significantly change the regulations concerning telecommunications in order to facilitate the creation of this information highway, without even consulting the provinces. The information highway will have a major impact, as you know, on a great many areas, some under exclusive provincial jurisdiction.

In committee, we were very surprised to learn that the minister is going ahead with the information highway. But who will control the information to be found on this highway? Who will provide the information? One thing became clear in our discussions with officials from the Department of Industry, nobody has the answer to these questions. This issue has not been examined yet. It will be in the months to come. We are about to go ahead with the information highway without even making sure that its contents will be controlled and that there will be joint action with the provinces, which obviously have jurisdiction in this area.

Finally, I would like to address the issues of technology and R & D. The document tells us that Canada's effort in R & D is less than that of other G–7 countries. However, the Canadian government invests as much as its competitors in civilian R & D. This demonstrates how badly administered and inefficient the government's R & D effort is.

It is about time we thoroughly reviewed our involvment in R & D matters and adopted a true science policy for R & D. The government must be ready to question everything, to decentralize our technological efforts and to base our research laboratories outside Ottawa to take advantage of the scientific resources that are found across the country and make better use of them. This may create some synergy with the scientific research capabilities throughout Canada.

• (1535)

To conclude, the document tabled by the minister is nothing but an incomplete policy statement, which contains many policies already announced by his colleagues and others that will be announced by 1998. Thus, to be able to put Canada and Quebec back on the prosperity track, we have to consider—

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the hon. member. I will now recognize the hon. member for Okanagan–Centre.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, it is a privilege and very exciting actually to be participating in response to the minister's statement. I think there were some very positive things said by the minister and I want to commend him for those kinds of things, particularly for the fact that he recognizes that there is a problem. The difficulty is that I am not quite so sure that he has a solution to the problem. This is where I think we have to focus our attention.

It is very interesting the way this particular paper has been presented to us. The first omission I find that really bothers me a lot is that there is no particular and no direct reference to the recommendations that were contained in the "Taking Care of Small Business" report by the Standing Committee on Industry.

There were many recommendations in that particular report that gave direct impetus to the kinds of strategic planning that ought to be done in the Department of Industry and in the government at large.

It became very clear during that particular discussion that there was a major gap in the recognition of the contribution that small business makes to the creation of jobs in Canada. It is true that there have been a number of new jobs created in Canada but for the government to take credit for this is not correct. The jobs were created by entrepreneurs and those people want to develop themselves.

I commend the particular suggestion that there is going to be a particular place for small businesses to enter into government procurement contracts, contracts that are $125,000 or less but larger than $25,000. It raises all kinds of interesting questions that my hon. colleague raised not so long ago when he spoke about a particular department other than the Department of Industry in which certain contracts were divided up into smaller components so that indeed they would not have to meet certain regulatory provisions.

Is this a possibility now that certain procurements may be made so that larger procurements will be broken up into $125,000 ones, or will that not be the case? Will others be combined? This not clear.

I want to pay particular attention to the Small Businesses Loans Act. That ceiling was increased from $4 billion to $12 billion. The Canadian Federation of Independent Business says that particular program is not working so well. This morning I heard the hon. minister say on Canada AM that small businesses liked it so much that they used it up right away, within 18 months of it having been increased.

The interesting thing is that banks have to a large extent used the SBLA to cover their particular risks, so that it became a subsidy to the banks. It is small wonder that with this kind of help the larger banks in Canada can show a combined profit of something like $4 billion. Is this the kind of thing that small business is supposed to be supporting, so that the big banks can

make big profits like that? The Small Businesses Loans Act had no small contribution to that particular sector.

That is not all. The other part of this is that there seems to be a suggestion that subsidies and grants to businesses create jobs. I submit to you, Madam Speaker, and to the minister and to this House that is probably false, that in fact when you have a subsidy which may create a job over on this side, it loses a job over on the other side because this business over here has to pay larger taxes, has to pay increased interest rates in order to subsidize that particular business over there. That is misleading if nothing else.

There is another thing that happens when you do this sort of thing. You divert investment from those businesses that are solid to those businesses that have some kind of artificial government support and shoring up.

• (1540)

Business should be allowed to stand on its own feet. Where I commend the minister is where he says that the government should create an environment so that private businesses can succeed. I endorse that 100 per cent. I commend him for that statement. Now may he go ahead and prove that he believes that by taking away subsidies and grants for small business.

Much was made about trade and much was made about the imbalance in trade when it comes to tourism. There is a suggestion that some $100 million is going to be spent in the tourism industry, approximately $50 million for the setting up of a tourism commission, another $50 million from $15 million, so it is not quite the $50 million in addition, for a promotion budget that has been increased from $15 million to $50 million. That suggests more than a triple amount of dollars spent in promotion.

I ask the minister and the House whether they really believe that spending three times as much money will result in three times as many tourists coming to Canada and spending three times as much money than if that promotion budget were not there.

Madam Speaker, I suggest to you that there may be an increase but it will not be in direct proportion to the increase of public spending in that particular sector.

The minister said not too long ago and he states in his orange book that the solution is not in throwing dollars at a problem but rather to solve the problem. The best people to solve the problem are the entrepreneurs. They understand the business. They understand the marketplace. They know the value of the dollar. They know how to efficiently deploy those dollars. They know how to employ people. They know how to get good work out of people. Throwing dollars at the problem is not the answer. We need to recognize that applies in the tourism industry as well as in every other industry.

There has been a suggestion that the infrastructure program is a major innovative development in this particular strategic document that has been presented to the House. The infrastructure program that currently exists, I believe it is $6 billion on the one side and that is going to be matched by the provincial government and the municipal government, is a beautiful pot of money. It has become known in many quarters as boccie Canada, and builds boccie courts.

The infrastructure program needs to be recognized for what it is. It is a program that benefits particular places. I want to really commend the British Columbia government. So far I know of no instance, and there may be some since I last looked at the list, when the money has not been spent on bona fide infrastructure programs such as highways, bridges, water systems, sewer systems, things of that sort. That is significant but building boccie courts is not. Building canoe museums is not. These are the kinds of things.

I want to move into another area which has to do with the science and technology program. We have had a review this spring of the science and technology program all across Canada and we had the hon. secretary of state go across Canada holding various discussions with business people, interest groups, looking at what should be done in this particular area.

Three things became very clear. When they put together the summary forum which took place here in Ottawa in mid–October they came up with a bunch of round tables with some very high powered, highly trained, highly developed and intelligent people who made some beautiful statements. When I examine those particular conclusions and compare them with conclusions of 1940, 56 years ago, there are in many instances very few substantive differences between the problems articulated today and the problems articulated some 50 years ago.

• (1545)

When a noted journalist put things together and compared the two he recognized, in particular when it came to the industrial application of the technological and scientific studies and R and D research that had been done primarily through government funding, that the minimal effect was industrial application.

Some $6 billion is being spent in that area plus $1 billion being spent on tax credits. That is a total of $7 billion. In this fall's statement the Auditor General said that we were not getting an effective resolution and application of those dollars. We were not getting the kinds of results we should be getting.

The time has come for us to do some new thinking, not to go through the old thinking and do it all over again. We know what the problem is. It is time we build a new innovative economy

that provides for the private entrepreneur the ability to make money and to give everybody jobs.

* * *

PICTOU LANDING INDIAN BAND AGREEMENT ACT

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.) moved for leave to introduce Bill C–60, an act respecting an agreement between Her Majesty in right of Canada and the Pictou Landing Indian Band.

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

* * *

AGRICULTURE AND AGRI–FOOD ADMINISTRATIVE MONETARY PENALTIES ACT

Hon. Ron Irwin (for the Minister of Agriculture and Agri–Food, Lib.) moved for leave to introduce Bill C–61, an act to establish a system of administrative monetary penalties for the enforcement of the Canada Agricultural Products Act, the Feeds Act, the Fertilizers Act, the Health of Animals Act and the Meat Inspection Act, the Pest Control Products Act, the Plant Protection Act and the Seeds Act.

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

* * *

CRIMINAL CODE

Mr. Jay Hill (Prince George—Peace River, Ref.) moved for leave to introduce Bill C–293, an act to amend the Criminal Code (use of a firearm in the commission of or attempt at an offence).

He said: Madam Speaker, I thank my hon. colleague from Fraser Valley West for seconding introduction and first reading of the bill.

Today it is my pleasure to introduce the bill to the House. It will increase the minimum mandatory sentence for the use of a gun in the commission of a crime to five years.

Canadians are demanding stiffer sentences for the criminal misuse of firearms but the recently proposed four–year mandatory sentence of the justice minister is only restricted to 10 offences and is not consecutive.

He is merely introducing a minimum sentence for four years for these crimes, and with parole it may be less. Although the tougher sentences in his reaction plan are a step in the right direction the bill would go even further. It would make the minimum five–year sentence consecutive to any other sentence and would apply to any accomplices who had access to the firearm during the crime or attempted crime whether or not the gun was fired.

Canadians want deterrents and I believe the bill would provide some.

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

* * *

• (1550)

PETITIONS

RIGHTS OF THE UNBORN

Mr. John Williams (St. Albert, Ref.): Madam Speaker, pursuant to Standing Order 36, I am honoured to present a petition on behalf of Susan MacDonell and 59 other Albertans, many of whom are my constituents.

The petitioners request that Parliament act immediately to extend protection to the unborn child by amending the Charter of Rights and Freedoms to extend the same protection enjoyed by born human beings to unborn human beings.

Not only am I pleased to present the petition but I endorse it as well.

VIA RAIL

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Madam Speaker, I have the honour and privilege to table to two petitions signed by the constituents of Lambton—Middlesex, pursuant to Standing Order 36 and duly certified by the clerk of petitions.

In the first the petitioners are concerned about the future of VIA Rail passenger service in southwestern Ontario and call upon Parliament to urge the government to place a moratorium on any passenger rail cuts in the Sarnia–Toronto corridor.

HUMAN RIGHTS

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Madam Speaker, in the second petition the petitioners pray and request that Parliament not amend the human rights code, the Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

[*Translation*]

VOICE BOXES

Mr. Jean–Guy Chrétien (Frontenac, BQ): Madam Speaker, it is with great pleasure that I give my support to two senior citizens' clubs in the beautiful riding of Frontenac, namely the Saint–Alphonse and the Saint–Maurice clubs in Thetford, which are opposed to the uncontrolled use of voice mail.

Since senior citizens are naturally more intimidated by voice mail technology and have a right to expect proper service, especially for enquiries concerning income security payments, we ask the Liberal government not to use voice mail for senior citizens.

I fully support the Saint–Alphonse and Saint–Maurice senior citizens' clubs from Thetford Mines.

[*English*]

GUN CONTROL

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, I have a number of petitions that I have the pleasure of putting forth this afternoon. One petition deals with gun control.

EUTHANASIA AND ASSISTED SUICIDE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, I would like to present a petition in opposition to euthanasia or person assisted suicide.

CANADIAN WHEAT BOARD

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, I would like to present a petition in support of the Canadian Wheat Board.

HUMAN RIGHTS

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, I would like to present a petition in opposition to same sex couple benefits.

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, I have several petitions I would like to enter, the first dealing with sexual orientation.

The petitioners pray and request that Parliament not amend the Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including the amending of the Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation. There are 304 signatures.

EUTHANASIA AND ASSISTED SUICIDE

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, I have two petitions dealing with the topic of euthanasia, one with 242 signatures and the other with 93.

The petitioners pray that Parliament ensures the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament makes no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker the third petition deals with the sanctity of human life. There are 305 signatures from my riding.

The petitioners pray that Parliament acts immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

• (1555)

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, the last petition deals with immigration levels. It has 128 signatures from various parts of the country.

The petitioners pray and call upon Parliament to reduce immigration to the previous average level of one–half of 1 per cent of the population, or about 150,000 per year, with the basic intake of not less than 50 per cent of the total composed of carefully selected skilled workers required by the Canadian economy and to bring our refugee acceptance rate in line with the average of other asylum destination countries.

I heartily agree with all petitions.

LIGHT STATIONS

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, pursuant to Standing Order 36 it is my duty and honour to rise in the House to present a petition, duly certified by the clerk of petitions, on behalf of the constituents of Saanich—Gulf Islands.

The petitioners humbly pray and call upon Parliament to immediately revoke the directive from the Minister of Transport that proceeds with a detailed plan for a program of unmanning all west coast light stations and request a complete and thorough public inquiry in the province of British Columbia into the need for these manned light stations on the west coast.

EUTHANASIA AND ASSISTED SUICIDE

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, I am pleased to table in the House two petitions.

The first petition asks that Parliament ensures that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament makes no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

I concur with the petition.

JAPANESE CANADIANS

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, I have a second petition that respectfully requests that Parliament acknowledges, through compensation under a redress agreement, an injustice did occur when Canadians of Japanese ancestry who happened to be in Japan on December 7, 1941, were denied by the actions of the Government of Canada the right to return home until March 31, 1949.

JUSTICE

Mr. Bill Gilmour (Comox—Alberni, Ref.): Madam Speaker, pursuant to Standing Order 36 I am pleased to present the following petition which comes from all across Canada and contains 244 signatures.

The undersigned request that in memory of Dawn Shaw, a six–year old girl who was murdered in my riding of Comox—Alberni, this petition be brought to the attention of Parliament. The petitioners request that Parliament enact legislation to change the justice system to provide greater protection for children from sexual assault and to assure conviction of offenders.

I fully concur with the petitioners and endorse the petition.

GUN CONTROL

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, pursuant to Standing Order 36 I have a petition from more than 40 people living in the city and county of Peterborough.

The undersigned consider the present gun control legislation in Canada to be more than adequate. Therefore the petitioners humbly pray and call upon the Parliament of Canada to refrain from any further gun control legislation in the name of controlling crime that would be of no value and would constitute unjust harassment of a lawful gun owners.

HUMAN RIGHTS

Mr. John Finlay (Oxford, Lib.): Madam Speaker, it is my duty to present two petitions from citizens of Oxford.

The first one is signed by 25 petitioners and requests that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to legalize, normalize or indicate societal approval of same sex relationships or homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

LAP DANCING

Mr. John Finlay (Oxford, Lib.): The second petition, Madam Speaker, is from 156 constituents. They request Parliament to ban lap dancing as understood, as such activity poses a potential fatal health risk. It may be compared to prostitution.

Exotic dancers may have to lap dance against their will or lose their chosen profession. Lap dancing devalues the essential worth and dignity of all people.

RIGHTS OF THE UNBORN

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Madam Speaker, pursuant to Standing Order 36, I am presenting six petitions from my constituents in the riding of Wellington—Grey—Dufferin—Simcoe.

The first two petitions containing 120 and 467 signatures respectively call upon the government to amend the Criminal Code to extend to unborn children the same protection enjoyed by born human beings.

• (1600)

HUMAN RIGHTS

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): The third petition contains 121 signatures and calls upon the government not to amend the human rights code in relation to the recognition of same sex relationships.

PARLIAMENTARY PRAYER

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): The fourth petition contains 59 signatures and calls upon Parliament to conclude the parliamentary prayer with the phrase "through Jesus Christ, our Lord. Amen" and reinstate the Lord's Prayer at the conclusion of the opening prayer.

ASSISTED SUICIDE

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): The fifth and sixth petitions contain 121 and 362 signatures respectively and call upon the government to ensure that the present provisions in the Criminal Code with respect to assisted suicides be enforced vigorously and make no changes to the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I would ask that all questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Shall all the questions be allowed to stand?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): I wish to inform the House that, pursuant to Standing Order 33(2), because of the ministerial statement, Government Orders will be extended by 40 minutes.

GOVERNMENT ORDERS

[*Translation*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

The House proceeded to the consideration of Bill C–56, an act to amend the Canadian Environmental Assessment act, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): There are four amendment motions on the Notice Paper for report stage of Bill C–56, an Act to amend the Canadian Environmental Assessment Act.

[*English*]

Motions Nos. 1, 2 and 3 will be grouped for debate but voted on as follows: Motion No. 1 will be voted on separately. An affirmative vote on Motion No. 2 obviates the necessity of the question being put on Motion No. 3.

On the other hand, a negative vote on Motion No. 2 necessitates the question being put on Motion No. 3.

[*Translation*]

Motion No. 4 will be debated and voted on separately.

[*English*]

I shall now propose Motions Nos. 1, 2 and 3 to the House.

MOTIONS IN AMENDMENT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 1

That Bill C–56, in Clause 1, be amended by adding after line 11, on page 1, the following:

"(b.2) to ensure that projects likely to cause significant adverse environmental effects or public concern are publicly reviewed through a process of independent decision making."

Motion No. 2

That Bill C–56 in Clause 3, be amended by replacing lines 18 to 33, on page 2, with the following:

"(1.1) Where a report is submitted by a mediator or review panel, the responsible authority shall take a course of action consistent with the findings and recommendations in the report.

(1.2) Within 30 days of the public release of a report mentioned in subsection (1.1), the Governor in Council may, for the purpose of dealing with any or all of the findings or recommendations set out in the report

(*a*) require the mediator or review panel to clarify any of the findings or recommendations set out in the report; and

(*b*) substitute its own findings and recommendations for those of the report where it concludes that the findings or recommendations of the report are not in the public interest.

(1.3) Following a decision by the Governor in Council under subsection (1.2), the responsible authority shall take a course of action under subsection (1) that is consistent with the decision of the Governor in Council."

• (1605)

Mr. Bill Gilmour (Comox—Alberni, Ref.) moved:

Motion No. 3

That Bill C–56, in Clause 3, be amended

(*a*) by replacing line 22 on page 2, with the following:

"approval of the Governor in Council given by order in council, re–"; and

(*b*) by adding after line 33, on page 2, the following:

"(1.2) The order in council made under paragraph (1.1)(*a*) is exempt from the application of sections 3, 5 and 11 of the Statutory Instruments Act."

Mr. Taylor: Madam Speaker, I am pleased today to rise to speak on the amendments, some of which I brought forward and one of which has been brought forward by a member of the Reform Party.

The amendment process of Bill C–56 that is in front of us today will give us a good indication of the seriousness with which the government wishes to approach the process of developing the best environmental assessment legislation that we possibly can.

A lot of testimony was heard before the committee studying the bill. Among that testimony were many clauses of the original bill that are not discussed under Bill C–56 today but are matters which require attention in any case. I am hoping that we will have some opportunity in the future to address some of the additional concerns that we are unable to deal with in this bill.

Also among the testimony of the witnesses before the committee were matters relating to the concept of an independent decision–making process. That is what the first amendments I proposed today deal directly with. First, these amendments ensure that the concept of independent decision–making is included in the section outlining the purposes of the act to make things perfectly clear. Second, they ensure that the decisions are consistent with the recommendations of the assessment panel and are treated seriously by giving the necessary authority to the responsible authorities.

The concept is not a new one. It is one that has already been recognized by the Liberal Party which, prior to being elected, made certain promises to the Canadian people in regard to the environment. These promises contained in the now famous red book include the following: "Under a Liberal government the Canadian Environmental Assessment Act will be amended to shift decision–making powers to an independent Canadian environmental assessment agency subject to appeal to cabinet".

In Bill C–56 the only amendments the Liberals have brought forward to the Canadian Environmental Assessment Act fail to create this independent decision–making body. In fact one could argue that they do almost the opposite because the government bill amends the act to give cabinet, referred to as the governor in council, the ability to amend the panel reports and then gives it

the final say on the panel report. Certainly cabinet cannot be considered an independent decision–making agency.

There are all too many examples where government departments and even ministers are the proponents of projects which would sooner see the recommendations of an independent assessment panel disappear than have them implemented. The possible conflict of interest with cabinet or between federal and provincial governments is altogether far too likely to go unaddressed.

On the other hand it is important to recognize that elected governments must be held accountable for their actions and they must be given the power to act when the interests of the electorate, the Canadian people, the citizens of Canada, need protecting.

I recognize that at the end of the day the government is responsible for its actions or the actions of those operating in its name.

Therefore in writing the amendment before us I have tried to establish the framework for independent decision–making, that is establishing the independence of the assessment panel.

• (1610)

At the same time, I want to express my support for the concept of an appeal of this decision to cabinet. I tried to incorporate the idea of appeal into my amendment but it was ruled out of order by the legislative counsel before it appeared on the Order Paper. Therefore I had to rewrite my amendment in a way that would fit the needs of the legislative counsel rather than the needs that I really wanted to bring forward here today.

I was told that the idea of an appeal to cabinet was not consistent with the government's intent in Bill C–56, but I want the government to realize that although my amendments do not specifically allow for the appeal to cabinet of a panel decision or of a cabinet decision, I am willing to accept an amendment in the future, another bill that the government may wish to bring forward.

I am willing to accept an amendment that would incorporate an informal appeal process. It would be easy to do with reference to the fact that any person who participated in a mediation or a panel review in respect of a project could appeal to the governor in council any or all of the findings or recommendations set out in the report.

I want to make clear that accepting my recommendations today does not preclude a further amendment by government in the future to ensure that the appeal process exists and to give the protection that the government may think is necessary by government.

In the meantime, it is absolutely imperative that the legislation ensure the independence of the process. I think only the support of my motions today would ensure that. It is worth noting that the concept of independent decision–making is already accepted and practised in other areas of federal government activity.

Perhaps the best known example of the process, although it is somewhat different, there are similarities, exists within the mandate of the CRTC. It exists basically at arm's length from government. It issues orders that are basically binding on those applications that have been made before it.

However, there is an appeal process of sorts that allows the cabinet to make decisions on appeal. In the testimony heard during the committee study of the bill before us, officials from the Federal Environmental Assessment Review Office, FEARO, admitted that the current process requires that every decision of an assessment panel is not actually final until such time as the cabinet responds to it.

They also admitted that cabinet is not required to respond within any specific period of time. Therefore it is fairly easy to say that cabinet could take an infinite amount of time to respond to any report or any recommendations contained in a report from an assessment panel or from a mediation review.

We are already aware that cabinet, when it is not supportive of a panel decision or indeed parliamentary decisions, and I give the example of Bill C–13, the legislation that required more than two years to be proclaimed because of arguments received in cabinet over the regulations, as an example of how cabinet can delay matters for a long period of time.

Actually, the Indian lands claims process is also one in which cabinet has indicated that it is prepared to take its time on reviewing a decision that it is not altogether happy with. The Indian Land Claims Commission reported two years ago on the Canoe Lake Indian Band claim regarding the Cold Lake air weapons range. Cabinet is still sitting almost two years without responding to that recommendation of the commission.

We cannot allow that sort of a timeframe to elapse in regard to environmental assessment reports. Without going into any specific detail about how the two amendments that I have brought forward would work, let me simply conclude by saying that regardless of which path the cabinet wishes to take, the responsible authority is required within a short period of time to take a course of action consistent with the recommendations of the panel and, second, cabinet, if it has found the panel authority not consistent with the public idea, does have an opportunity to respond but the idea of an appeal is not within this amendment.

• (1615)

Therefore, I would be very happy to hear what the government has to say about adding an appeal process to the motion I have put forward.

It is my submission that the bill fails to meet the test of an independent decision–making authority as promised by the government prior to the election. I urge support of the motions I brought forward to ensure that the independent decision–making authority exists within the new agency.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Madam Speaker, I am pleased to put forward Motion No. 3 to amend Bill C–56. This amendment addresses clause 3 of the bill which amends section 37 of the Canadian Environmental Assessment Act. My amendment changes the decision–making authority on environmental panel reports from cabinet to order in council. That is the basic meat of it, changing it from cabinet to order in council.

Prior to Bill C–56, the decision to act on or reject panel recommendations was made solely by the Minister of the Environment. Bill C–56 broadens the distribution of power to include the governor in council, which basically means cabinet. However, this is still not strong enough.

Although the spirit of the government's amendment is to ensure that responses to public panel recommendations are decided by cabinet, it must be clear that cabinet, or governor in council, does not refer to cabinet as a whole.

Cabinet remains undefined. It could mean full cabinet or it could refer to only a few ministers. Cabinet may be many things. Cabinet can be simple and informal or it can be formal in the way of an order in council. Cabinet has many versions. For example, there are inner cabinets, outer cabinets and committees of cabinet.

The term cabinet is far too loose. As it stands, important environmental decisions could be controlled by two or three ministers with their own agendas. To avoid this potentially divisive situation, an order in council involving the full cabinet is required to ensure that all interests are fairly represented. The interests of one particular region will then be balanced by the representation of ministers from regions all across the country.

To ensure that decision–making is democratic, panel recommendations must be approved or rejected through order in council which means the cabinet as a whole, not just two or three ministers. This amendment reduces the likelihood that environmental decisions will be subject to the whims of any individual minister as government as a whole is responsible for actions on panel recommendations.

The amendment addresses concerns brought forward by the Liberals regarding the environmental assessment process. The Liberal red book states: "The gap between rhetoric and action under Conservative rule has been most visible in the area of environmental assessment. All too often Conservatives have ignored the solid recommendations for environmental protection offered by public review panels".

As it stands there is nothing in the bill to prevent a few cabinet ministers from rejecting panel recommendations. What better way to ensure that recommendations for environmental protection, brought forward by public review panels, are fairly reviewed and justly responded to than to make sure that the decision–making power is held by cabinet as a whole, not two or three ministers. This amendment directly addresses those concerns by limiting the discretionary powers of ministers.

It is my hope that hon. members on the opposite side will give serious thought to this amendment before they cast their vote. This is a fair and just amendment that will ensure a more democratic and balanced process of environmental assessment. It ensures the interests of the environment and industry are protected and works in favour of the best interests of all Canadians to ensure the continued protection of our environment.

I now wish to respond briefly to the proposed amendments to Bill C–56 brought forward by the member for The Battlefords—Meadow Lake.

In Motion No. 1 the member proposes to amend clause 1 of Bill C–56 by adding a subclause that strengthens the intention of the bill to ensure that projects likely to cause significant adverse environmental effects or public concern are publicly reviewed through a process of independent decision–making.

The Liberal red book promises that: "Under a Liberal government, the Canadian Environmental Assessment Act will be amended to shift decision–making powers to an independent, Canadian environmental assessment agency subject to appeal by cabinet". Yet nowhere in the act or proposed amendments contained in the bill is such independent decision–making powers granted to the agency. As it stands, the current intent of the bill is in conflict with the promises contained in the red book. There is no process of independent decision–making granted to the agency in the bill.

• (1620)

As it stands, the agency provides for ministerial decision–making as Bill C–56 proposes to broaden decision–making to cabinet. However, there is nothing in the bill that allows for independent decision–making because recommendations are approved or rejected by cabinet. The agency attends the hearings, prepares its report and presents it to cabinet. Beyond that there are no powers granted to the agency. This proposed amendment will recognize the agency as an independent decision–making body.

I agree there are several advantages to having this agency at arm's length from the government, similar to the relationship of the CRTC and government, as proposed in the red book. This proposed amendment by the member for The Battlefords—Meadow Lake is in line with the Liberal red book and as such I

would expect the government to honour its election commitments and include this amendment, which I support, into the act.

The member for The Battlefords—Meadow Lake also proposed Bill C–56, clause 3, Motion No. 2 in the Order Paper, to make the panel or mediator reports binding to the governor in council. This proposed amendment requires the responsible authority to take a course of action consistent with the findings and recommendations in the panel report.

The amendment addresses the first amendment as it gives the agency independent decision–making powers. As I said earlier, I agree that the agency should have some independent decision–making powers. However, the proposed amendment would give the agency absolutely authority over decisions. There are some merits as well as some concerns with this proposal.

One aspect it recognizes is that panels and mediators have a far greater level of expertise regarding the issue than a review by cabinet. It also makes the final decision–making process more open to the public as panel reviews are open to the public, whereas cabinet meetings are not. The public is not privy to matters which guide cabinet decisions behind closed doors.

I agree that there are many benefits to granting decision–making powers to the review panel. However, I cannot support this clause which allows for appeal to cabinet. The government must be allowed the opportunity to intervene when necessary.

There will be occasions when the government will need to make decisions for political reasons, contrary to the review panel. Obviously this will not be a popular decision for which the government will undoubtedly take political heat. However, I feel the option must be open to the government. Therefore, I cannot and do not support this amendment.

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Madam Speaker, I wish to speak to the three motions. First, Motion No. 1 from the member for The Battlefords—Meadow Lake, ensures that projects reviewed through a process of independent decision–making are instituted.

The member's suggestion is indeed interesting. However, he is adding words to an amendment which has been put forward to promote the concept of one project, one assessment. In this regard I suggest his proposal is out of place.

With respect to the intent of the member's suggestion, the government has put forward in Bill C–56 an amendment to section 37 of the Canadian Environmental Assessment Act which would ensure that projects are subject to public review through an open and transparent process. This amendment ensures that panel recommendations are reviewed and responded to by the governor in council, thus ensuring that not just one minister will respond to panel recommendations.

The government believes that this amendment, along with the creation of the Canadian Environmental Assessment Agency, will allow for decision–making which is as independent as possible, coupled with an open and transparent process in which all Canadians may participate. For this reason the government will not support this motion.

• (1625)

Motion No. 2, moved by the member for The Battlefords—Meadow Lake, goes right to the heart of the cabinet decision–making process. The government has committed itself to ensuring that public reviews are carefully considered and responded to.

However to suggest that the governor in council be given a time limit to respond would unduly fetter the decision–making process of the federal government. It would as well not reflect the seriousness of the decisions in front of cabinet.

In some cases ministers may wish to respond quickly, or depending on the significance or complexity of the issue, the governor in council may well wish to take more time in its consideration of projects which are of national significance. The length of deliberations might also be influenced by stakeholders that in some cases may desire speedy responses or in others a more lengthy debate.

Further, as the member knows, the Canadian Environmental Assessment Act is progressively designed to encourage harmonization with the provinces. In this light many provinces do not have time lines and it would be inappropriate for the Government of Canada to impose them.

While we can understand the intent of the member's motion, we feel that the proposed amendment would unduly fetter decision–making and would contradict the careful deliberation that environmental assessment calls for. The government therefore cannot support this motion.

Finally, with regard to Motion No. 3, introduced by my colleague for Comox—Alberni, as was confirmed by the committee studying Bill C–56, the governor in council responses to public reviews will be and must be made by order in council. This is the way the governor in council works.

In this regard the member's motion is somewhat redundant and the government again cannot support its adoption.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Madam Speaker, Motions Nos. 1, 2 and 3 put forward today by our colleague from The Battlefords—Meadow Lake and Motion No. 3 put forward

by the hon. member for Comox—Alberni are amendments to Bill C–56.

First, I will remind you that the Bloc Quebecois will vote against Bill C–56 since this bill amends the Canadian Environmental Assessment Act which implements across the country an environmental assessment process that duplicates a process already existing in some provinces, including Quebec where there has been an environmental assessment process for more than 15 years now.

We have spoken against the enactment of this Act wich we consider to be unacceptable federal interference in provincial jurisdiction. We will have another opportunity to oppose federal interference in provincial jurisdiction on third reading of Bill C–56.

Let us look now at the motions from our colleagues. Motion No. 1 wants projects likely to cause significant adverse environmental effects to be publicly reviewed through a process of independent decision making. That amendment would be included in the purposes of the Act. It is hard to see what our colleague from the NDP is really getting at with this amendment. He should tell us more about this process of independent decision making. Should the body or agency making the decision be permanent or ad hoc? What would the administrative structure of such an agency be? Who would be on it? Who would pay? How would the recommendations or the reports of that body be handled?

Members of the NDP propose creating a new body which would only add to the list of existing agencies. In Quebec, we already have the BAPE, Bureau d'audiences publiques sur l'environnement. On the other hand, for those who support the imposition of the federal process—which we do not—the act provides for the establishment of the Canadian assessment agency, as well as opportunities to use a mediator or a review panel for major projects.

As you can see, there are already many authorities provided for in the act. It seems to us that the NDP motion wants to add more to that federal superstructure, but without saying specifically what that new independent authority will be.

• (1630)

You will understand that we, in the Bloc, cannot accept this motion from the NDP. We have a firm fundamental position on this bill and nothing can change it. We will also vote against Motion No. 2 that was moved by the same member.

I would like to deal a little more with parts (1.1) and (1.2)(*b*) of the motion. Part (1.1) says: "Where a report is submitted by a mediator or review panel—" But what does the NDP do with the independent authority that it is proposing in its first motion? It is talking here about the report of a mediator or review panel. What about the independent authority report? Clearly defining structures does not seem to be a strength of the NDP.

I think that the NDP does even worse when it proposes, in clause (1.2)(*b*), that:

> —the Governor in Council may, for the purpose of dealing with any or all the findings or recommendations set out in the report
>
> (*b*) substitute its own findings and recommendations for those of the report where it concludes that the findings or recommendations of the report are not in the public interest.

I ask my colleague if the whole process that the federal government wants to implement and impose on the provinces is really to further public interest in environmental assessment issues. With this amendment, the NDP is telling us that the process as a whole is not important and that, in the end, Cabinet can impose its own decision in the public interest.

It is not reassuring at all, considering who influence our dear ministers. Lobbyists are certainly not the greatest champions of public interest and the environment.

Another major inconsistency in the motions of the NDP is that it is asking for an independent public review while giving the last word to the government. It is inconsistent and illogical to advocate these two things at the same time, that is, an independent agency whose recommendations will be submitted to a higher authority.

The NDP is not very clear and rigorous in its proposals. If what it wants is to give more power to the people, its two motions are not very convincing. They are pulling in opposite directions. The result is a draw, since it is impossible to answer yes and no at the same time.

Motion No. 3, presented by the member for Comox—Alberni, adds a reference to orders in council in clause 3 of Bill C–56. The bill only mentions the approval, or consent, of the Governor in Council, in a non–specific fashion. The Reform Party simply wants to specify how it will be done, by order in council. For us, this is merely specifying how they will go about it; it does not change Bill C–56 significantly.

Finally, we will not vote in favour of any of these motions. Bill C–56 and the Canadian Environmental Assessment Act are both unacceptable and the changes proposed by our NDP and Reform colleagues do not make them more acceptable to us.

Mr. Benoît Sauvageau (Terrebonne, BQ): Madam Speaker, I am pleased to speak on the amendments to Bill C–56 proposed by NDP and Reform members.

My comments will be similar to those made by my colleague for Laurentides, because, for different reasons, three of the motions cannot be approved by our party.

The first motion proposed by the hon. member for The Battlefords—Meadow Lake raises problems, as it says this:

"projects likely to cause— public concern are publicly reviewed through a process of independent decision making".

The process of independent decision making causes problems, because it remains undefined. It is said that an independent process should give some directions, but the process itself is not defined.

• (1635)

As far as environmental assessment is concerned, I wish to analyze some aspects, some government structures, mostly at the federal level, where these assessments are made. One must remember that each department, before implementing a project, must do an assessment demonstrating that it is not harmful to the environment.

Moreover, the Federal Environmental Assessment Review Office, FEARO, is about to be replaced by the Canadian Environmental Assessment Agency.

The bill provides for a mediator who will review, hold hearings, carry out consultations—an activity our Liberal friends are particularly fond of—and this mediator will make decisions as part of the environmental assessment process.

Such processes also exist at the provincial level, as my colleague from Laurentides pointed out earlier. In Quebec, the BAPE, or Bureau d'audiences publiques sur l'environnement (office of public hearings on the environment) conducts an environmental assessment which, by the way, is very serious and highly respected. My hon. colleague, who was Minister of the Environment, could attest to this.

The bill also provides for something that no one has objected to, a very good idea: environmental groups, which are concerned with the environment but, unlike industry groups, may not be able to afford to appear before committees and panels to express their views, would receive government funding to come and share their views with various committees. I think that this provision, and particularly the government funding granted to environmental groups—it is important to mention this because these groups will finally be given a chance to be heard—will facilitate public participation in the various environmental assessment processes.

I think that adding to the four or five existing environmental assessment organizations or agencies a fifth or sixth one, which would be this independent umbrella organization at the federal level, is going too far. It is difficult enough getting along as it is. As my colleague said earlier, they are pulling in opposite directions, so that putting the icing on the cake would not necessarily make sense.

As I said in my preamble, how does our colleague from The Battleford—Meadow Lake define "independent organization"? That is very important because we can move in different directions with that.

At this time, Madam Speaker, I would like to give you another reason why we are opposed to Bill C–56. We see here that Clause 4(*d*) of Bill C–13 would allow the public to participate in the environmental assessment process. Bill C–56 also provides for the compulsory creation of a participant funding program, as I said earlier. So we see that the public is really involved in this.

As for Motion No. 2 providing that the Governor in Council may substitute his own decisions for those of the mediator, we find it somewhat unparliamentary and undemocratic, since we were elected to the House of Commons by the people. We have had responsible government since 1848 and we are here to make it work.

So the Cabinet could be asked to reject out of hand the work done by our environmental assessment agencies and impose its own decisions when the public interest is at stake. I submit to you, Madam Speaker, that this is not quite acceptable in a democratic society.

With respect to Motion No. 3 proposed by our Reform colleague from Comox—Alberni, we have a slight problem, as we have with three of the motions, in that simply adding by order in council would not amend the bill sufficiently for us to support Motion No. 3.

Decisions are made by the Governor in Council but it remains to be seen whether the government has the will to act on the environment; we seriously doubt it. That is why I support my colleague from Laurentides in opposing the three motions proposed to us.

• (1640)

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), a recorded division on the motion stands deferred.

The next question is on Motion No. 2. Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

Some hon. members: On division.

(Motion No. 2 negatived.)

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8) a recorded division on the motion stands deferred.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP) moved:

Motion No. 4

That Bill C–56 be amended by adding after new subclause 5(2), the following new Clause:

"5.1 The Act is amended by adding the following after section 59:

"59.1 (1) Every regulation that is proposed to be made under section 59 shall be laid before each House of Parliament at least twenty sitting days before the proposed effective date thereof.

(2) Where, within fifteen sitting days after a proposed regulation is laid before either House of Parliament under subsection (1), a motion for the consideration of that House to the effect that the proposed regulation not be approved, signed by no fewer than fifteen Senators or twenty Members of the House of Commons, as the case may be, is filed with the Speaker of the Senate or the House of Commons, as the case may be, the Speaker shall, within five sitting days of the filing of the motion, without debate or amendment put every question necessary for the disposition of the motion.

(3) Where a motion referred to in subsection (2) is adopted by both Houses of Parliament, the proposed regulations to which the motion relates may not be made, and the proposed regulation shall be referred to the committee of the House of Commons that normally considers environmental affairs for further consideration.

(4) Where Parliament dissolves or prorogues earlier than fifteen sitting days after a proposed regulation is laid before both Houses of Parliament under subsection (1) and a motion has not been disposed of under subsection (2) in relation to the proposed regulation in both Houses of Parliament, the proposed regulation may not be made.

(5) For the purposes of this section, "sitting day" means, in respect of either House of Parliament, a day on which the House sits."."

He said: Madam Speaker, I am pleased to rise to speak to my motion in front of the House today. This is a motion that I have raised in this Chamber on one previous occasion. I am very pleased to have an opportunity to again try to convince the members of this House of the importance of dealing with public involvement in the regulatory process.

I should indicate to members and to those who are watching today from outside this Chamber that public involvement in decision making is something that I have always taken very seriously.

Although Bill C–56 in front of us deals to a certain extent with participant funding and individual participation within the process of environmental assessment, I was very anxious to include amendments as well dealing with participant funding, define more readily participant funding and also ensure that the agency in the legislation take more responsibility for participant funding programs.

● (1645)

I found that the amendments I submitted for inclusion on the Order Paper for today were ruled out of order before they were printed, again because they did not deal specifically with the intent of the legislation before the House.

While we are dealing with the importance of public participation in the environmental assessment process I want to urge the government to do more to ensure a public participation funding program or an intervener funding program than has been done in the legislation in front of us.

The government responded in committee to the question of greater definition of public participation funding programs by stating that it will include guidelines and rules within the regulations that make the act operable. That and other reasons is what prompts the amendment on the table now.

What I am saying by moving the amendment is that the current regulatory process is inadequate, troublesome and lacking in public scrutiny. Members of the public and in fact the members of the House do not have the ability to examine in public, debate in public, discuss in public with a view to change, regulations once they have been dealt with, generally behind closed doors.

As witness after witness before the committee in the previous Parliament and before the committee in this Parliament indicated, it is the regulations which run the act and therefore the process, not the act itself. The regulations are as important as the act.

We have spent on environmental assessment legislation hundreds if not thousands of hours putting in place the proper wording for the legislation but we have not dealt at all with the regulatory process.

One of the witnesses before the committee, a man by the name of Brian Pannell from Winnipeg had some comments in this regard that I want to bring to the attention of the House before I proceed with my arguments. Mr. Pannell said: "On the law list, the law list remains substantially deficient. I can tell you that this law list has been worked on for years and it has always been a struggle to be relatively inclusive of the real substantial decisions that should be on there and there are still many decisions that should be on there that aren't because there are many departmental interests that are served by not having them there and I don't see an early resolution to this process".

The regulatory process takes place behind closed doors. Decisions are made about how the act will be run by people who study this very closely. To a certain extent the people in this regulatory process are doing a great job. The regulations are put in place and go before cabinet. Before those regulations can be published the cabinet makes decisions, makes deletions, makes additions, does whatever it wants to, not referring anything back to the regulatory development committee or whatever it is called, and the regulations are published. That is it. Everything is done and the operations of the act proceed.

Some time ago in dealing with the previous government's gun control legislation the government set a precedent by establishing a process by which regulations could be reviewed by members of Parliament. The government conceded, because the regulations concerned the addition of firearms that could be prohibited by order in council, not by debate, not by public discussion but simply by cabinet deciding that this or that firearm could be put on a prohibited list.

• (1650)

In this case we have regulations that can decide the future of environmental assessment, the process, how the participant funding program is going to operate, who is going to get funding under participant funding processes, which projects will be reviewed, which projects will not be reviewed, who can appear before panel decisions, who can sit on panels and where they are going to operate. All of these details about the decision–making process that will eventually lead to recommendations on projects are dealt with under regulations. As members of Parliament we and the public have no participation in that process before, in the middle of or after it is completed.

The point I am making is fairly simple. We are asking that when the regulation process is complete and the regulations are on the table that we set aside a period of time when members of Parliament or members of the Senate can respond to those regulations. We can say to the country that we do not want these regulations to pass until such time as we have had a chance to look at them. These matters can then be brought before committees or dealt with in any way that the government wishes to have them dealt with. Should public scrutiny allow those regulations to go forward, they can.

The government loses nothing in this process other than the fact that some of the regulations and some of the regulatory process is under the scrutiny of members of Parliament, the Senate and therefore the people of Canada, if we are paying attention to the needs and the interests of the Canadians who are concerned about these matters.

I do not consider this to be a significant amendment in terms of what it means to the government achieving its ends. I do see it as a significant amendment in terms of allowing for greater public participation on the side of the question that really matters: the operational and administrative side, the regulatory side.

I urge the government to carefully consider its concern and its stated support for public participation in the process. By supporting this amendment it will bring greater clarity to the whole regulatory decision–making process.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Madam Speaker, I am pleased to speak to Motion No. 4, the third amendment proposed by the member for The Battlefords—Meadow Lake. The proposed amendment relates to section 59 of the act which grants the governor in council authority to make regulations relating to environmental assessment and follow–up programs set up in the Canadian Environmental Assessment Act.

These regulations are an essential part of the act. They are the guiding principles which shape the environmental assessment process. Once again there is some merit to the proposed amendment but there are also many concerns which arise with this proposal.

Presently under the act, the regulations which guide the environmental assessment process are determined by governor in council which basically means the cabinet. Cabinet decides what the regulations will include. Members of Parliament

outside of the inner circle of government are excluded from the process.

The amendment to the bill proposes to address this concern so that the regulation proposed under section 59 would be laid before the House of Parliament. This would allow for a more democratic process in the development of these regulations and would allow members of the House to participate in the decision–making process as regulations are proposed.

The hon. member also proposes that regulations are presented to the House at least 20 sitting days before the proposed effective date. The time line of 20 days would ensure that members have adequate time to comment on regulations and proposed meaningful amendments where necessary.

My concern with this proposal is that it would slow down the process. I have concerns that if every regulation were brought forward, the process would be far too time consuming and would in fact be unworkable. Members need to participate in decision making but this suggested amendment would grind the House to a halt.

• (1655)

For these reasons I cannot support and therefore oppose the motion.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Madam Speaker, we recognize that Motion No. 4 put forward by the hon. member for The Battlefords—Meadow Lake definitely has some merit. While it will not gain our full support, it is far from worthless. It has the advantage of applying the concept of transparency to one of the most fundamental aspects of the Canadian Environmental Assessment Act, the regulations made under the Act.

I would like to remind my colleagues that on October 6, the Minister of the Environment announced in this House that the Act would be proclaimed and that its regulations would soon be published in the *Canada Gazette*. These regulations are actually one of the many shortcomings of this federal legislation. They confer great power and allow the federal government to give a wide application to its environmental assessment process, without any regard for assessment processes already established by the provinces.

The federal regulations have a major impact in Quebec. In view of the great power the federal government has seized to initiate federal assessments, as provided under the regulations, most projects covered by Quebec regulations are likely to be subject to the federal regulations also. Clearly, two processes could be undertaken for the same project, unless, of course, there was a bilateral agreement between the province and the federal government. So far, I think that only one province has signed such an agreement with the federal minister.

Federal regulations on environmental assessment reinforce and give further extension to the Act. That will lead to a duplication of assessment processes, an inability to meet deadlines under provincial processes, the possibility that provincial decisions could be challenged, some uncertainty and hesitation by developers in submitting projects owing to the dual assessment process and the subsequent decisions, a waste of time and money, the possibility of legal challenges for the results and decisions, if the two assessments reach different conclusions. These are serious consequences of regulations made under the Act.

Since the minister refused to amend her legislation to specify that provincial procedures, and more specifically those in Quebec, are comparable to the federal process and equally valid, so that projects subject to Quebec regulations would be subject only to provincial procedures, we now have two sets of procedures, which is very costly and very confusing for all concerned.

The federal legislative process is opaque to the point of being secretive. Regulations are churned out without any genuine debate by members. They are published and easily pass consideration by the Committee on Scrutiny of Regulations, without anyone being able to challenge the basis for certain regulations. The process makes absolutely no sense at all and is also dangerous because these regulations are often vitally important.

In this particular case, the regulations of the Canadian Environmental Assessment Act mostly duplicate Quebec's regulations. It is most unfortunate that no Quebec members had a chance to look at these regulations before they came into force. It is also unfortunate that members have had absolutely no say in this respect. We find the same situation—not a very democratic one, in my opinion—with all other bills debated and voted on in this House. We can see the bills and study them clause by clause, but we never have that opportunity with the regulations.

If the NDP motion is adopted, it would have to be part of the general procedure for proposed legislation, so that at least elected members would be able to discuss draft regulations before they become official.

We support the main purpose behind this motion. However, we object to including the senators in a process to prevent the approval of draft regulations. The Senate consists of non–elected individuals, appointed strictly on a partisan basis. These are patronage appointments, and these friends of the government cost us $53 million.

• (1700)

As I said before, the motion's purpose, which is to give us a chance to examine the regulations and to amend or reject them,

is entirely valid. The legislative system should make it possible for members to intervene in this area.

Therefore, I move, seconded by my colleague the hon. member for Terrebonne:

That Motion No. 4 be amended:

(*a*) in sub–clause (1), by replacing the words "each House of Parliament", with the following:

"the House of Commons";

(*b*) in sub–clause (2),

(i) by replacing the words "either House of Parliament under subsection (1), a motion for the consideration of that House", with the following:

"the House of Commons under subsection (1), a motion for the consideration of the House"; and

(ii) by striking out the words "fifteen Senators or", "the Senate or" and ", as the case may be,";

(*c*) in sub–clause (3), by replacing the words "both Houses of Parliament", with the following:

"the House of Commons";

(*d*) in sub–clause (4), by replacing each instance of the words "both Houses of Parliament", with the following:

"the House of Commons"; and

(*e*) in sub–clause (5), by replacing the words "either House of Parliament", with the following:

"the House of Commons".

Mr. Benoît Sauvageau (Terrebonne, BQ): Madam Speaker, I rise to further explain why I will have the pleasure to support the sub–amendment presented by my colleague from Laurentides.

To clarify where we are coming from with this sub–amendment to Motion No. 4 presented by the NDP member, I will say that the only thing we agree with is that we would be ready to support the motion presented by the member for Battlefords—Meadow Lake. Therefore, we would be pleased to support it. However, to be consistent with the positions we have taken since the opening of this Parliament, we cannot accept that non–elected individuals might take the place, even occasionally, of elected representatives.

We must point out that the Senate is composed of appointed members who are, as my colleague so skilfully demonstrated, appointed in a partisan way; they are government cronies. These appointees, who cost taxpayers $53 million a year, and who are supposed to be wise, have shown that this is seldom the case.

Therefore, according to the 1848 principle of responsible government which I explained earlier, decisions made here by democratically elected representatives of the people should only and always be discussed in this House. I should point out, for the benefit of all those present, that each one of them represents a federal riding, but that they also represent their provincial legislature, and that there is only one House in each province because their provincial legislature recognizes the authority of democratically elected representatives.

What we are opposing mainly is the fact that non–elected individuals could make decisions. We must therefore support the amendment to the amendment submitted by my colleague from Laurentides and make sure that we remove from the motion of our NDP colleague anything that could be interpreted as meaning that both Houses must be involved in the decision–making. Democratic decisions are made here, in this House, and anything not democratic, like the present proposal, must be rejected.

• (1705)

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Madam Speaker, I would like to say first of all that I am a bit surprised at the Bloc Quebecois position. Despite explanations by the hon. member for Terrebonne, one cannot help wondering how the Bloc Quebecois can move an amendment to an amendment to a bill over which it is in total disagreement. It is a bit surprising.

Similarly, I would like to refer to remarks by the hon. member for Laurentides who keeps harping on the same old theme that the Canadian Environmental Assessment Act is some kind of absolute intrusion in prerogatives of provinces and more particularly Quebec.

I want to point out to the hon. member that the federal government has not only the right but the responsibility, as stated by the Supreme Court, to deal with environmental assessment, if only in such areas of exclusive jurisdiction as coastal zones, navigable waters, fisheries, national harbours, airports, the St. Lawrence Seaway, Crown lands, native lands, defence facilities, not to mention the shared jurisdiction on environment itself.

Indeed, I would point out to the hon. member for Laurentides, if she is interested in getting information, that joint assessments have been made for a very long time in Quebec concerning, for example, Cacouna Harbour, the St. Marguerite River more recently and the Lachine Canal very recently. There are instances of several projects assessed either by BAPE or, on rare occasions, by the federal government, when the project was essentially under federal jurisdiction.

As for the motion by the hon. member for The Battlefords—Meadow Lake, we are quite aware that under several acts of Parliament, regulatory systems are established independently of Parliament.

In the case of the Canadian Environmental Assessment Act, the regulations were subjected to one of the most rigorous and progressive procedures established by the Government of Canada. During the last election, we on this side of the House promised an in–depth review of the existing regulations—

[*English*]

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the parliamentary secretary. We are debating the amendment to Motion No. 4.

Mr. Lincoln: May I speak to both at the same time? It is the same subject anyway.

The Acting Speaker (Mrs. Maheu): Does the member have agreement?

Some hon. members: Agreed.

[*Translation*]

Mr. Lincoln: During the last election, we on this side of the House promised an in–depth review of existing regulations as well as ongoing consultation on the others. Some existing regulations have been reviewed thoroughly and substantially improved as many witnesses have recognized, in fact.

All the other regulations are subjected to the same in–depth analysis by all the interested parties.

[*English*]

I am very sympathetic to the member's suggestion, but the suggestion does not seem to recognize that extensive consultation has taken place, nor does it reflect the fact that the development of regulations is a much larger question than that contained in the regulations under the Canadian Environmental Assessment Act.

If the member for The Battlefords—Meadow Lake wishes to change the federal regulatory development process, the Canadian Environmental Assessment Act is certainly not the place to do it. For this reason the government will not accept this motion, nor the amendment to the motion.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Is there unanimous consent to defer the vote to tomorrow at 5.30 p.m.?

Some hon. members: Agreed.

Mr. Boudria: Madam Speaker, a point of order. I wonder if you could seek unanimous consent to adjourn the House, having completed the legislation before us for today.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): It being 5.12 p.m., as there are no members available for the proceedings on the adjournment motion, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 5.12 p.m.)

HOUSE OF COMMONS

Tuesday, December 6, 1994

The House met at 10 a.m.

Prayers

[*English*]

POINTS OF ORDER

VIOLENCE AGAINST WOMEN

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I rise on a point of order. I believe you would find unanimous consent, when the House gets to Government Orders today, for the Secretary of State for Multiculturalism and the Status of Women to put the following motion:

> That this House take note of the anniversary of the murder of 14 young women at l'École polytechnique on December 6, 1989 and the continuing urgent need for action to eliminate the threat of violence in society, including the threat of violence to women.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

* * *

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (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 23 petitions.

* * *

COMMUNITY STORIES

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I am pleased to table in the House, in both official languages, a document entitled "Community Stories: Taking Action on Violence Against Women". The document contains the personal stories and history of the women applying for safety in their communities.

Today I will be moving: "That this House take note of the anniversary of the murder of 14 young women at l'École polytechnique on December 6, 1989 and the continuing urgent need for action to eliminate the threat of violence in society, including the threat of violence to women".

The Speaker: I understand that this will be the first order of the day when we get through the routine business, and it is taken as such.

* * *

[*Translation*]

VIOLENCE AGAINST WOMEN

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, today, December 6, is the day that all parties in the House have unanimously proclaimed national day of remembrance and action on violence against women.

[*English*]

These young women were smart, ambitious and hardworking. They had much to contribute to their families and to their country. All this was stolen from them in a burst of gunfire.

Today, 14 red roses have been placed at the entrance of the Chamber. Each rose represents the life of a young woman, a life full of promise, a life full of dreams, a life cut short by a horrifying act of violence by a man who voiced the old hidden belief that women do not have the right to equal status in a man's world.

The tragedy was a catalyst for action and the rose has become a symbol in memory of the women who died. It appears on the YWCA buttons sold each year as part of its campaign to address violence against women. It appears on the Canadian Labour Congress lapel pin as part of its new campaign.

[*Translation*]

Every year, since 1989, increasing numbers of individuals and organizations have joined forces with women's groups and other community organizations in order to bring about social change. The Federation of Canadian Municipalities, the Canadian Union of Public Employees, the Quebec women's federation—many people are trying to make a difference in their community.

[*English*]

Our government is also a partner for change. Last week the Minister of Justice announced the government's intention to ban the type of gun that was used in Montreal. Firearms control is a life and death issue for women. In the new proposals anyone

charged with criminal harassment such as stalking will temporarily be prohibited from owning a firearm.

[*Translation*]

A national firearms registry would have enormous advantages. When responding to a domestic violence call, police would know if there was a registered firearm at the address in question.

• (1010)

Last year, Statistics Canada reported that, based on the definition of violence in the Criminal Code, half of Canadian women have been victims of violence in their adult life, often more than once. Men they know pose more of a danger to them than strangers.

[*English*]

The foundation of the federal government's multifaceted approach to violence against women in Canadian society is legislation, giving protection under the law. We have made this a priority. It is part of the solution, clearly our part. We are also working in new ways to facilitate community action.

I am pleased to have tabled today the publication entitled "Community Stories: Taking Action on Violence Against Women". It chronicles the experience of 10 communities that took part in a demonstration project of a community kit on violence against women. Both community stories and the community kit are tremendous resources for grassroots action in our own neighbourhoods. They are a source of inspiration on what is possible.

There are many other excellent resources available today for increased safety and security for all women in the workplace, in municipalities and in relationships. Violence against women is simply unacceptable. We must work together to change attitudes and behaviour that give rise to these acts, to these terrible tragedies.

Gender violence does not just threaten women; it threatens their families, their loved ones and all of us. It tears at the very fabric of our society. We need to act not just for ourselves but for our daughters and our granddaughters. It is for their right to walk safely and earn fairly anywhere in our Canada.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, it is with a great deal of emotion that we are reminded today of a cold and snowy day, five years ago, when 14 female students of l'École polytechnique de Montréal were shot and killed by a young man who had a visceral hatred of women, and feminists in particular. These women, like many others, had families, friends, hopes. Such senseless acts have sounded a call, a heart–rending call, in Quebec and Canada, and even had an echo in the United States.

Violence against women must stop. The word was out before this tragic incident, but the atrocity of these murders created a new awareness of a reality experienced by a great number of women.

From then on, all forms of violence against women were to be seen under a much harsher light. For instance, a harder and more serious look was taken at one of the most revolting aspects of our society. Conjugal violence must stop and we must take all the necessary steps to stop it. Spousal violence is widespread in Quebec and Canada. The figures are alarming. Let me just quote a few here. This fall, Statistics Canada reported that 29 per cent of women who had been married or in a common law relationship were physically or sexually assaulted by their spouse at one time or another in their life together.

It is reported that 21 per cent of spousal assaults occur when women are pregnant. Physical abuse may or may not be accompanied by psychological abuse. The blows, injuries, death threats, and humiliations leave permanent psychological scars in women, as well as in the children who often witness and are themselves victims of the abuse.

Since the second half of the 1970s, homes for battered women have mushroomed. The care and services they provide unquestionably meet a fundamental need in our communities. However, the issue of funding is much thornier and the financial support they receive from the federal government is far from adequate. Funding programs for housing that used to help these shelters open up new places for battered women now have no budget. This government decided instead to offer public funds to private owners.

• (1015)

Last February's budget did not provide any financing for a campaign to address violence against women, despite the formal promise contained in the red book. Nevertheless, all provincial governments as well as the federal government must do even more to promote awareness and spread information in order to eliminate violence against women.

Another statistic involving women has to do with firearms. Firearms are the weapon of choice used in spousal homicides. Between 1974 and 1992, 42 per cent of women killed by their spouses were shot dead.

In this context, Bloc members, like most Quebecers and Canadians, eagerly awaited the bill on how the federal government would effectively control firearms. Unfortunately, the Minister of Justice was rather timid in announcing a policy statement on gun control. Surprisingly enough, despite the urgent need for gun control, this bill will be implemented over the next seven years until 2002.

We also fail to understand why all 4,000 AK–47 and 6,000 FN–FAL owners will be allowed to keep these weapons for the rest of their lives. All 555,000 Canadians who own .25 or .32

caliber handguns or 105–mm guns will also be able to keep them until they die.

Heidi Rathjen is to be commended for her determination and her work in the Coalition for Gun Control, which helped highlight the importance of controlling guns in Canada and Quebec. Her crusade will not be in vain.

The victims and survivors of the massacre at the École Polytechnique will live in our collective conscience for many years to come. We must not, however, forget that this violence still goes on on a different scale, often far from the spotlights and the cameras.

In 1993, 63 women were killed by their spouses, 49 by their legal or common law husbands and 14 by separated or divorced spouses. Another 63 roses could have been laid at the entrance to the House of Commons and in front of all provincial legislatures.

Every time an injured woman seeks refuge in a shelter for battered women, every time a woman decides to sue her abusing spouse, every time a woman leaves her home to start a new life, it is another step forward in the campaign to eliminate violence.

On December 6, 1989, 14 students at the École Polytechnique were silenced forever, but we cannot remain silent.

[*English*]

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I rise to pay tribute today as well to the 14 women who five years ago were brutally murdered at l'École polytechnique. We deplore such violence in our society and must make every effort to reform the criminal justice system so that tragedies like this are avoided.

On December 6, 1989 one of the worst nightmares in this society came to pass when one sick individual went into our schools and gunned down 14 young women. Crime is a terrible fact in our society that we must do our best to eradicate. It affects us all.

Not only was that murder deplorable but there have been several since, maybe not on that large scale, but certainly the fact is when anyone is murdered in this country it is too many.

It is reported that violent crime is on the rise. Since 1988 in the nation's capital alone, here in Ottawa total violent crime is up 75 per cent. Considering this alarming statistic, let us look together at a solution to the situation, not always look back in time but forward as to how we can avoid these things in the future.

We must be cautious not to give the impression that the problems of violence in our society only affect women. We need to be very careful that is not the only thing we talk about. They are not simply women's issues. All men must not be branded. Most Canadian men abhor violence. They do not condone it, nor do they want to be put on a guilt trip for one maniac who went crazy and committed such a deplorable act.

These issues affect all members of our society. Violence is perpetrated on many areas of our society, certainly violence against women but also men, seniors and children. The largest category of violent crime is male violence against other males. We have grandparents and seniors who are verbally and physically abused, and let us not forget the children. Our vulnerable children are being preyed on more and more.

• (1020)

The government pays lip service and expresses a sincere intent to address the issue of violence against women. The minister just said we need to act. However, on looking back at the legislative agenda of this government for the last year it seems that there has been very little action taken that will remedy the situation.

There needs to be fairness in the system. Sentencing for violent crimes needs to be fair. Recently in Surrey—White Rock—South Langley a father of two murdered his wife, put her back into bed, and after the crime he admitted to a friend what he had done. He was not convicted of murder one or murder two but simply of manslaughter. His defence was that his wife had threatened to spread a rumour that he was molesting his children. He was sentenced to five years in jail, but he served only two of them for killing his wife. This is intolerable.

I would hope that the minister would hear me when I say that we must have punishment in place for criminals that fits the crime. Unfortunately the government aims at the wrong people in society and at the wrong sector for getting tough with criminals such as someone who could kill his wife and simply serve two years of his sentence. That is intolerable.

If we want to truly stop the tide of violence in society we must start one small step at a time. We are willing to take that step. We are willing to make the commitment. We are willing to make the tough decisions that will protect our women, our children and our men. If we really want to make a difference and show Canada that we are truly sick and tired of senseless crimes the government should take action now to keep people from beating, raping or killing people, and then using the excuse that we have seen recently that they were simply too drunk to know what they were doing and so they get away with the crime.

If the Secretary of State for the Status of Women wants to safeguard women, children and men in Canada, surely she will use her influence around the cabinet table to get rid of the drunkenness defence. I urge the secretary of state to listen to Canadians and to push the Minister of Justice to introduce an amendment to the Criminal Code now. We have given our consent that we would let this be passed within 24 hours.

Mrs. Finestone: On what?

Miss Grey: "On what", the minister asks of me. Unfortunately she did not hear what I said. Let me reiterate it because it is that important.

Our party said that we would give unanimous consent to an amendment to the Criminal Code to get rid of the drunkenness defence immediately. If the minister is sincere, if she is serious about making sure that violence is not perpetrated on other people in our society, especially people whom they know and ultimately care about, surely we could pass that amendment now. That would be true action. I think nothing would speak louder than an amendment to the Criminal Code.

I urge the secretary of state to listen to Canadians and to push the Minister of Justice to introduce an amendment to the Criminal Code.

My colleagues across are saying "What about gun control?". Yes, gun control for the people who are abusing guns and making sure that those people pay the price. This needs to be done now.

An hon. member: What does this have to do with it?

Miss Grey: That was my question exactly: What does this have to do with it?

Since the Supreme Court ruled on the Daviault case, the drunkenness defence has been used successfully three times in a matter of weeks. If this government were serious about it we could have this passed by the Christmas break and I look forward to working with the government on bringing that in.

We look forward to making sure that justice not be put on hold. Our women, our children and our men expect nothing less from the government, from the secretary of state and from the Minister of Justice. They expect action now.

Ms. McLaughlin: Mr. Speaker, I would like to ask the House for unanimous consent to reply to the ministerial statement.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[*Translation*]

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, five years ago we rose in this House to commemorate the 14 young women who were killed in Montreal and today we must remember these 14 women, their families and friends, and also propose actions for a policy of zero tolerance of violence against women.

[*English*]

Five years ago when we stood in this House and sadly recognized and commemorated the tragedy of the Montreal massacre we all committed ourselves to action.

• (1025)

It is true that awareness of the issue has increased since that time. While there is never any positive aspect to the loss of such young lives, I think we can say that following that massacre there has been much more attention to the issue.

While there has been much condemnation there is still much to do. Far too little has been done. Sadly few steps have been taken which would actually end the violence; some have, but too few. I would say for example that the current social security review that is being undertaken does not address the question of violence but indeed does address the possibility of less funding under the Canada assistance plan for the provinces and territories which fund transition homes and those organizations which help who are under threat of violence.

As well we have seen several recent court judgments which excuse assault and sexual assault on the grounds of intoxication or the use of drugs. This is totally unacceptable. If we are to be committed to zero tolerance in our society, I join with others in this House to demand that government take action on this issue now. I assure you, Mr. Speaker, that this party will support such immediate action.

As we remember those who lost their lives five years ago, we again recommit ourselves to real action. I call on the government to start today with that real action.

* * *

REGULATORY EFFICIENCY ACT

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved for leave to introduce Bill C–62, an act to provide for the achievement of regulatory goals through alternatives to designated regulations and through administrative agreements.

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

Mr. Eggleton: Mr. Speaker, I rise on a point of order. I wish to inform the House that it is my intention to propose that this bill be referred to committee before second reading, pursuant to Standing Order 73(1).

* * *

[*Translation*]

PETITIONS

SENIOR CITIZENS

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, pursuant to Standing Order 36, I am pleased to table 586 signatures from all ridings in the province, including Saint–Maurice, the riding of the Right Hon. Prime Minister.

These petitions come from women's social action associations, better known by the acronym AFEAS, and from seniors'

groups. The petitioners ask Parliament to ask the government to give up the plan for voice mail systems for seniors. I support this petition.

[*English*]

RIGHTS OF THE UNBORN

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour this morning to present three petitions. The first is that the petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

● (1030)

HUMAN RIGHTS

Mr. Paul Steckle (Huron—Bruce, Lib.): In the second petition the petitioners pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously. They request that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide, or active or passive euthanasia.

The petitioners also pray that Parliament not amend the Human Rights Act or Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

It is my privilege to present these petitions this morning.

ASSISTED SUICIDE

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, in accordance with Standing Order 36 I would like to present two petitions signed by residents of the town of Westlock and the city of Fort McMurray in my riding of Athabasca.

The petitioners request that Parliament ensure the present provisions of the Criminal Code of Canada prohibiting assisted suicide be vigorously enforced and that Parliament make no change in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, pursuant to Standing Order 36 I have two petitions from the ridings of Nickel Belt and Sudbury with over 600 signatures.

The first requires that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, the second petition from the same ridings with the same numbers asks that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

I support both petitions.

TOBACCO

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, pursuant to Standing Order 36 I am pleased to deposit a petition today from residents of virtually every province from coast to coast in Canada.

The petitioners suggest that research conducted by Health Canada shows that the number of people, particularly teenagers, who smoke increases as the cost of cigarettes goes down. Tobacco products are clearly linked to forms of cancer, heart disease, stroke, emphysema, chronic bronchitis and many other illnesses. Given the fact that tobacco products contain over 4,000 chemicals of which at least 43 cause cancer in humans and that the use of tobacco products is directly responsible for the premature death of some 38,000 Canadians annually tobacco can rightly be termed a hazardous product.

Therefore the petitioners call upon Parliament to remove the exemption for tobacco under the Hazardous Products Act.

HUMAN RIGHTS

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, pursuant to Standing Order 36 I rise to present several petitions.

On behalf of Darcy Siggelkow I present three petitions. The first petition asks Parliament not to amend the human rights code or the Charter of Rights and Freedoms in any way which would indicate societal approval of same sex relationships.

RIGHTS OF THE UNBORN

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, the second petition prays that Parliament extend the same protection to the unborn child as that enjoyed by born human beings.

ASSISTED SUICIDE

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, the third petition asks that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, I have two additional petitions to present on these issues on behalf of Anne Pinkoski and Norma Wood. I present two petitions asking that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and

Freedoms in any way which would tend to indicate societal approval of same sex relationships.

TELEVISION PROGRAMMING

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, I also have a petition regarding enacting legislation to provide specific standards for acceptable content for CBC television programming.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask that all questions be allowed to stand.

The Speaker: Shall the questions be allowed to stand?

Some hon. members: Agreed.

* * *

REQUEST FOR EMERGENCY DEBATE

VIOLENCE AGAINST WOMEN

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I wish to bring before the House an important matter requiring the urgent attention of the House of Commons.

• (1035)

Five years have passed since the murder of the 14 women at l'École polytechnique in Montreal yet violence does continue at alarming rates. More than half of all Canadian women will experience in their lifetime at least one incident of violence. Therefore I have put forward the request today for an emergency debate on this issue.

We have to date and this morning certainly acknowledged and given our condolences to the families of the 14 young women who were so sadly and tragically murdered five years ago. However it is incumbent upon this House to show its seriousness in this matter and have a true debate on this issue. The government should hear proposals of members of this House from all parties.

I urge that this motion for an emergency debate be accepted.

The Speaker: This topic indeed is a very serious one and I would make these points. This is a chronic matter for our society to deal with. As the motion stands now it is not in the strictest sense a matter for an emergency debate. However all this might be moot in view of the fact it is my understanding that in just a short while I will be reading a motion in orders of the day. All hon. members will be able to join in to make their views known on this very important topic.

I wish to inform the House that pursuant to Standing Order 33(2) because of the ministerial statement Government Orders will be extended by 20 minutes.

GOVERNMENT ORDERS

[*English*]

VIOLENCE AGAINST WOMEN

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.) moved:

That this House take note of the anniversary of the murder of 14 young women at l'École polytechnique on December 6, 1989 and the continuing urgent need for action to eliminate the threat of violence in society, including the threat of violence to women.

She said: Mr. Speaker, I am most pleased that the House has unanimously agreed to address this issue of violence against women in our society. This issue has become pervasive and has created concern for the men and women in this House and of course many organizations, associations and groups outside of this House.

The House has accepted the resolution unanimously to acknowledge the issue of the women who were murdered unconscionably five years ago. That unfortunate circumstance has given us the excellent opportunity for us to look at this issue not from a partisan political perspective but more in the interests of the well–being of the women and children and the responsibility that women have for the future of our society, for the well–being of the children, for the education and for the community work that is needed and is often the role of women.

Women have many roles in our society. Not only are they the progenitors of the future, they also educate and train our children. They do a great amount of community based work and care for the elderly. As well women are in the workforce. Women bear tremendous amounts of stress and strain. The last thing they need is a lack of respect, understanding and appreciation of the multiplicity and the importance of their role for all of us in our society.

I am pleased to rise to speak on this topic. I am pleased there was unanimous approval in this House to proceed in this way. This morning in commemoration of the national day of remembrance and action on violence against women, I talked about statistics and the magnitude of the problem in Canada. I would like to put forward a fact sheet to which women and men can refer and which organizations and institutions can look at to take proper concerted action together so we can win the fight against violence against women.

• (1040)

In 1993 Statistics Canada conducted a national survey on violence against women. Approximately 12,300 women were interviewed. Only behaviours considered an offence under the

Criminal Code of Canada were addressed in this survey. In fact, they were quite specific about what they were prepared to look at and include in the survey.

The survey included a wide range of behaviours such as the threat of imminent attack, attack with serious injury, unwanted sexual touching up to and including violent sexual attacks with severe injury. The findings are chilling and should advise us here in the House about our responsibility to represent, to speak for and to speak out in the interests of our constituents, half of whom are women.

In Canada 51 per cent of all women have experienced at least one incident of violence since the age of 16. Women are at greater risk from men they know than they are from strangers. Twenty–five per cent of all women have experienced violence at the hand of a current or past marital partner. In those cases weapons were used by 44 per cent of violent spouses. Twenty–one per cent of women abused by current or previous partners were assaulted during pregnancy; this is absolutely the most repugnant of the statements as far as I am concerned. One in six currently married women reported violence by their spouses and 39 per cent of those women said it happened more than once.

For sources of support that most women need and use, 51 per cent of women who ask for help turn to friends and neighbours and 42 per cent turn to family. Those figures come from the violence against women surveys in the Statistics Canada daily of November 18, 1993.

We also know how important are the homes for battered women, the transition houses and the groups that work right at the community base on these issues of violence. They enable women to leave their homes, take their children and protect themselves. They enable the women to get legal aid and some advice and counselling.

I sincerely hope that more work will be done with the batterers. If we leave them out there it will mean that some other woman is put at risk. We need to do work in that regard.

[*Translation*]

The other important aspect illustrated by this information on violence against women in Canada is that of women and firearms. On average, one woman is killed by a firearm every six days in Canada, often in a private residence and by someone she knows.

Firearms are the weapon of choice in spousal homicides. Between 1974 and 1992, 42 per cent of women murdered by their spouses were killed by bullets, 21 per cent were stabbed and another 21 per cent died from blows received.

During that same period, a married woman was nine times more likely to be killed by her spouse than by a stranger, and there were a total of 1,886 spousal homicides. Women were the victims in 76 per cent of cases. According to a study on domestic homicides conducted by the Department of Justice in 1992, only 18 per cent of firearms used by husbands who killed their wives were acquired illegally.

These are important facts to consider on a day like today and during a debate such as this one.

[*English*]

I would like to talk about this whole issue in terms of the human toll. The following testimonial is from a woman living in Canada today: "My husband struck me on our honeymoon. He killed our first child by kicking the four month old child in my uterus. My doctor asked me what I did and what I do to make him so mad. Our Anglican minister reminded me that I had married for better or worse. The lawyer wanted to know where I would get money to pay the fees. My mother told my husband where I was hiding".

• (1045)

The voice is a chilling one. It is an incisive call for change in the attitudes throughout Canadian society.

[*Translation*]

I want to point out two important realities for Canadian women. The first one is that we are more likely to be abused by an acquaintance, that is a spouse or a friend, as the hon. member from the opposition and I mentioned earlier. I feel it is very important for women to know that this is the reality and that they should take it into consideration before talking or making arrangements with anyone.

[*English*]

I just finished outlining some of the highlights of a Statistics Canada survey from last year. I did not outline the impact on the children who witness this violence and then become repeaters, carrying on this behaviour pattern into their own relationships with women. We find that half of the women reporting violence by men are known to them: dates, boyfriends, marital partners, friends, family and neighbours. It is very disquieting.

The second reality that I want to impress on the House is that violence and women's inequality are inextricably linked. Violence is a manifestation of women's inequality. In the words of another women: "When my husband stole a pizza he got a $100 fine. He beats me and sometimes he gets a $50 fine. I think this is awful. I am worth less than a pizza".

What messages do these words send to all women about our worth? How deeply entrenched are the old views that it is a

man's right to control his wife and his daughters, that, as in past centuries, women are possessions?

Admitting that these attitudes exist is an important step in finding solutions. As I said earlier today, I am encouraged by the level of community action taking place across Canada. As a nation we are beginning to hear what women's groups have been saying for years, that violence against women is pervasive in Canada, that it is tolerated and that violence is the most deplorable symptom of women's inequality.

On behalf of the people of Canada I would like to extend our thanks to the women and to the grassroots groups that started the shelter movement, staffed the assault crisis centres and started self–healing circles. They were determined to get the public's attention. We must ensure that their voices continue to be heard and support the work and the undertakings they have made.

The government understands that violence against women results from complex inter–related factors. That is why we favour a comprehensive approach to this issue. I was asked by one of the members of the opposition to explain the question of drunkenness and the Supreme Court of Canada ruling which cited extreme drunkenness as a defence in a case of sexual assault. This defence has since been successfully used in several other lower court cases. I find this to be totally unacceptable. The women of our caucus and I have spoken to the Minister of Justice. The Minister of Justice is equally outraged. However, the charter and the Constitution speak before the courts.

The question is how to amend the laws of this land so they will not be found wanting when we go to the courts. This kind of abysmal, unacceptable behaviour can no longer take place and be accepted and certainly that unenlightened judges do not use proper defence mechanisms from my perspective.

I would like the House to know that the Minister of Justice intends to propose amendments which he has pointed out several times. He will present an amendment to the Criminal Code to deal with self–intoxication as a defence when the House resumes in February. This Friday, on December 9, he is holding discussions with groups that have a tremendous interest in seeing the reduction of violence and enabling us to move forward in our agenda against violence against women.

• (1050)

[*Translation*]

Some members of this House claimed that we did not take important measures. As I said before, our responsibility lies primarily in passing appropriate legislation, and I believe that, in this respect, we truly made critical choices on a series of actions which will ultimately be complemented by other measures later on this year.

I also think that it must be recognized that we have taken important measures. Let us take a look at the firearms control program. On November 30, the Minister of Justice announced a gun control program, an important step towards eliminating violence against women. The development of a national fire arms registry, the ban on some firearms and the relaxation of prohibition orders are all measures that can be beneficial to women and used to save lives.

The National Crime Prevention Council was set up in July 1994. Among other issues, this Council will study how women are vulnerable to crime. The Council is made up of 25 members, 14 of whom are women, who come from all walks of life. As for keeping the peace, in June, the Minister of Justice tabled Bill C–42, which contains more than 100 changes to the Criminal Code, including various provisions to improve our efforts to keep the peace. For example, the police and other stakeholders will be able to ask for a peace bond in order to protect women in danger.

The national screening system to identify individuals who have sexually assaulted children is the fourth part of our approach. Announced in November, this database will enable organizations and employers to check if a job applicant has a criminal record for sexual offences before allowing the applicant to work with children. I think that this is the fifth bill on sentencing reform.

[*English*]

I would say to members that the sentencing reform is an important piece of legislation.

[*Translation*]

Bill C–41 gives the courts the means to make a distinction between serious violent crimes and less serious non–violent crimes. This sends a clear message to society: violence against women and children will not be tolerated. The bill stipulates that evidence that a crime, including a sexual offence, was motivated by hate or that the offender abused a position of trust or authority will be deemed by the judge to be an aggravating factor for the purpose of sentencing.

I must say that the opposition's complaints are unfounded because we have made progress. We also looked at the issue of equality before the law. Take the court challenges program, for example. In October 1994, the government reinstated that program in order to provide funding for cases of national interest regarding equality rights or language rights under the Canadian constitution.

[*English*]

In giving this list I do not think there can be complaints by the opposition as to the undertakings of the government with respect to violence against women. The facts should speak for themselves. Certainly there are other issues to which I can point. These include the question of legal equality, which is the court challenges program I just talked about, and public education.

• (1055)

In April Canadian heritage, in collaboration with other federal departments and the Canadian Association of Broadcasters, launched a series of radio and television programs and ads in the first of a three–year campaign on violence in society. I want to thank the Canadian Association of Broadcasters for the undertaking. That is $10 million worth of publicity which we have enabled to happen. It will ensure that violence against women and children, violence in society and violence based on race, prejudice, hatred and bigotry no longer find a home in this country.

I just deposited in the House today a community kit on violence against women. It is to promote community action so that people in their own backyards, leur petit patelins, will take responsibility for auditing what is dangerous in their society and for undertaking collective community action to prevent violence and promote safety.

The community kit on violence against women was tested in 10 locations across the country. The stories tell us what took place, what was helpful, what was not helpful, and how the audit was a positive factor in small towns and regions and in larger cities.

We have published those stories and I think members would find them interesting reading. I advise members of the House to take a good look at this kit, take it back to their towns and villages and enable their constituents to take control of their own lives. We must control the violence that is inherent in our society and make sure that our women and children can walk the streets of our cities safely and can live in safe homes.

Over 2,000 projects have been funded across the country by Health Canada on child abuse, on violence against women and on senior abuse. The family violence initiative is now in its fourth year. It also funds the building of shelters for abused women and their children.

In June I met with my colleagues, the ministers of the status of women across Canada, in Regina. We discussed the whole question of violence against women. We discussed it from the provincial perspective and we discussed it from the federal perspective. We discussed what initiatives we each could take, collectively and collaboratively, to ensure that the lives of women and children were safe. We issued a Regina declaration on the rights of women subjected to violence. It calls on justice systems across this land to ensure the equal protection of women subjected to violence.

In November 1993 we received the Statistics Canada research which was very important. In April of this year Statistics Canada released data from a transition home survey. It revealed there was a 2 per cent increase in the occupancy rate from 1992 to 1993 by women fleeing from abusive situations.

Most women using shelters are aged 25 to 34. These women are in their child bearing years and are subjected to violence by aggressive men even when pregnant. They have children in their homes who are visibly upset and mentally disturbed by what they see, action taken against women as something acceptable within their society. Less than 10 per cent of shelters primarily served ethnocultural and visible minority women, although 41 per cent offered culturally sensitive services.

The Minister of Justice, the Minister of Health and I have conducted public consultations. We held consultations with women's groups on violence as well as on the budget and social security reform. This is a very important and effective means of understanding what is going on in our society.

[*Translation*]

During the first year of our mandate, I think we have given top priority to legislation aimed at better protecting women and children. The protection provided by law is the very foundation of personal and public security.

• (1100)

[*English*]

As we move to support the program that has been presented by my colleague, the Minister of Justice, on firearms control, I would suggest that we have an obligation to the women of the country. Women do not like guns. That is a pretty obvious understatement. Women are fearful of guns.

I do not have to argue that the issue of firearms control is one of crucial importance to women. Nationally women have already spoken out. Numerous women's organizations from across the country and from a wide variety of social and cultural backgrounds have come forward to support tougher firearms control laws.

If people want to own firearms then let them own them with responsibility. You have to get a licence and do various other things to own a car. For goodness sake, what is so terrible about doing the same thing to own a gun? We are not taking them away from people. Those people who object to firearms control should not object to having us know that they own a gun. It does not make any sense to have it any other way. Tighter restrictions on firearms are what we want and that is what we are responding to.

I would like to answer the Reform Party which is not very pleased with this. A poll conducted recently by Angus Reid revealed that as many as 70 per cent of all Canadians interviewed favoured tighter restrictions on firearms. Firearm control is also supported by Canadian teachers. In a joint statement two weeks ago the Canadian Teachers Federation and the Centrale de l'enseignement du Québec agreed that a series of measures, including the Minister of Justice's package on firearms control, was necessary to reduce violence in our society.

The Minister of Justice has consulted across the land from big cities to small cities to the towns and villages. He has met with all kinds of organizations. He has listened and he has adjusted, understanding the needs and the sport recreational aspects. He also understands what women have to say. Every one of us ought to support his measures.

We have also taken other legal measures. I think of how important the peace bond was in the amendments to the Criminal Code and the sentencing on abuse of trust. How many of us know about incestual relationships that have taken place? How many of us know of friends and children and particularly relatives whom we call on to babysit for us, who do not have a code of ethics and abuse that trust, teachers who have abused the trust, priests who have abused the trust? Abuse of trust and sexual abuse are not acceptable in Canadian society. We are moving on that bill.

We have established the national information system, the court challenges program. Other initiatives to improve the status of women, although not necessarily dealing with violence and abuse against women are equally important. There is the creation of the national breast cancer information exchange program, the establishment of the prenatal nutrition program and our work to help women achieve economic equality.

Economic equality gives women the freedom to move away from an abusive situation. If a woman is trapped with no money she fears leaving. Economic equality in our society tells women that their work is valued, that their contributions to society are honoured and respected. Therefore economic equality will help women care for themselves and their children, give them a sense of worth and a sense of independence, not merely out of the generosity of the heart of her husband, but because she contributes to his growth and development, to his success. She is deserving of a fair share of those earnings if she stays at home and raises children. Raising children in today's society is a value in and of itself.

I was very pleased to chair the task group on the treatment of child support. The government will be coming in shortly with a comprehensive package of guidelines for the courts. It will have an enforcement component and will look at tax treatment. This more comprehensive policy is long overdue.

We must find a way so that not so many children in our country are poor. Children are poor when their mothers are poor. That too is a violence against women. It is a violence against people in our society.

• (1105)

I would like to close my remarks by talking for a few moments about the Beijing conference which is coming up. In the international arena Canada is seen as very important and effective in addressing the concerns of women.

The machinery of government that we have set up to advise and counsel ministers on any kind of project, policy or legislation is seen as a very positive factor. The input our staff has made, because staff really equals service, and what we have been able to render in the international arena has been very important. We are not the only nation in the world seeking solutions to these issues. We can be proud of what we have done at the international level. We have played a leadership role in two key areas that I want to point out.

First was the adoption by the United Nations General Assembly of the declaration of the elimination of violence against women last December.

The second was the appointment of a United Nations special rapporteur on violence against women. That was an initiative of Canada as well. The rapporteur will report to the United Nations commission on human rights every year starting in March.

I had the pleasure of meeting the young woman who is filling that responsibility. We can have a sense of confidence that we are going to move forward on the international stage in this area.

In less than a year we will be meeting in Beijing for the fourth United Nations world conference on women. It has an enormous potential to act as a catalyst for change and progress on women's equality worldwide and particularly women's equality in China.

The role of the NGOs, the non–government organizations, has been very key, very different from Mexico and Nairobi. They have had a significant input into the preliminary documents we will be examining at that time. Ten key areas and key issues are of concern. It will look at women's struggles with poverty, with violence, with access to education and health, with access to power and decision making, to name but a few.

We want solutions to those problems right here for all Canadians. We do not have to wait until the UN world conference.

I encourage the women in the House to renew their commitment to women's equality today. I encourage them to speak out. The government intends to fulfil all its red book commitments with respect to the increase in funding for services for battered women. Public education campaigns will be ongoing and will enable behaviour modification with the goodwill and support of the men as partners in society. The options for removal of abusers from the home shall certainly be part and parcel of what we look at.

[*Translation*]

I am very happy to have had the opportunity here today to mention some of the things that make life more difficult for women. I look forward to working with our colleagues from the opposition and indeed with all Canadians, both men and women, who want to improve the lot of women, to prevent the increase in

violence against women and to try to educate the public in order to eliminate this problem in our society.

The roses that all the members of the House placed in the hall on behalf of the 14 women indicate that the moment has come to rethink the society in which we live.

[*English*]

Let us remember. I thank all members of the House for the roses which were deposited outside in the hall.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, I have several things to say to this government, in response to the motion tabled in the House this morning. I have no doubts about the hon. member's sincerity, and I am sure that, as a woman, she is more than aware of the problem of violence against women.

• (1110)

There is no need to repeat the latest statistics ad nauseam. Everyone knows them. Statistics can shock and move us, and for a few moments we are upset. We have a spontaneous urge to say: Something has to be done. What are governments doing about this? It does not happen quite that way in real life. So many times we are filled with anger and sadness as we read in the papers that another woman was slain by her spouse or former spouse.

Most people feel helpless to do anything about this phenomenon, and most people, unfortunately, do not feel directly concerned, and I will get back to this.

The fact remains that violence against women is a social problem and that society elects governments to give leadership and ensure its collective well–being. Politicians are very much aware of their role in this respect. That is why during every election campaign, politicians reflect and analyse and make promises. Of course, no politician would dare promise to deal with violence, once and for all. However, since they are very aware of the public's expectations, they promise action and funding to renew the hopes and obtain the trust of the voters.

As I said at the beginning of my speech, politicians are usually sincere. What happens after election day? Consider the present situation as an example. Since the situation exists here and now, people cannot accuse us of distorting the truth or letting the passage of time colour our perceptions.

The present government was very well intentioned. Like everyone else, it analysed the situation and made promises. It promised to make eliminating violence one of its big priorities. It found ways to do this. It would launch a massive public awareness campaign against violence. It would promote a community–based approach. It would introduce strict gun controls. It would tighten the provisions of the Criminal Code in order to eliminate spousal violence.

All this has a very direct and very specific connection with violence against women. Some progress has been made. The government will say it did not make any direct cuts in funding for shelters for female victims of violence, while other budget items were cut by 5 per cent.

The government will also say it experimented with the use of community kits. On the whole, it will say it is aware of the problems experienced by women who are victims of violence.

However, it has overlooked a number of things. It forgot about all the recommendations of the committees wich examined this problem, and met thousands of women and hundreds of agencies that worked with victims of violence. It forgot that they all reached the same conclusion: violence will continue as long as women are not treated as men's equals. That is the real problem. Women are unanimous in this.

This government could take a step towards equality and recognize that women, who are directly concerned after all, are perfectly capable of identifying the source of their problems, the symptoms and the solutions. If this elusive equality is ever to be achieved, the government will have to start by trusting our abilities, at least in this area. Women are adults. To stop being victims, they must be recognized as equal to men and treated as such in every respect and by everyone, governments included. This sounds so simple and so obvious that I am sure many of my male colleagues are thinking: Equality is already a fact, so what are they complaining about? What else do they want?

The answer is just as simple: Women want equality, and the government must help them, which it promised to do but did not.

Equality means equal rights. It means equal social, human and economic rights. Equal social rights means that unemployed women are treated the same as their spouses and not like economic stopgaps who work just to be able to afford a few luxuries like a fur coat every five years. It means a woman has the right to work, study and participate fully in the labour market.

• (1115)

Equality will not happen with this government which is preparing to treat working women as second–class citizens who depend on their husbands for a living and for whom the country should not invest its precious resources.

Equality means studying without accumulating a debt for a lifetime, if and when you can get a loan, because it is not so easy for women to borrow. How does this government expect women to be equal if they have to rely on men financially and on their husbands' bank account in order to get a diploma? It seems absurd! But that is exactly what this government is suggesting

with its social reform. How on earth does the government intends to promote equality for women.

It is also hard to understand how this government can resort so much to rhetoric on equality and at the same time do so little to make it easier for mothers to have access to the workplace. Adequate day care services often are essential for women entering the labour market or taking occupational training. But what have they done in that area? They promised they would create thousands of new places in day care centres and even included this in the budget.

However, they robbed Peter to pay Paul. They made the creation of day care services conditional on the economic recovery. What a nice way to encourage job creation. What a perfect way to make sure women would stay home or rely on lower quality services for their children. This way, women can be accused of being bad mothers besides.

This government prefers to keep matters pending before the courts and pay their lawyers handsomely instead of paying their employees adequately and enabling them to improve their financial situation and become more self–sufficient.

Despite what women suggested, this government chose not to apply the Employment Equity Act to employees of Parliament, civil servants and employees of its many agencies and commissions and this same government talks about equality.

It is the same government which did not see the need to re–establish a committee which would thoroughly analyze problems experienced by women. How serious is the government about improving the living conditions of women, Madam Speaker? We have committees for everything, but not for promoting the cause of women. Fine proof of the real concerns of this government.

Equality also comes from fiscal justice, an area where the government does not really shine. How can it justify taking Mrs. Thibaudeau's case to the Supreme Court, when the decision brought some to parents, generally women, who receive support payments for their children. While the court was trying to restore some financial equity between the paying parent and the custodial parent, the Minister of Justice rushed to appeal, for fear of upsetting the Department of National Revenue. What a noble concern on the part of this government.

So women are left to fend for themselves. You will tell me that a committee is looking into the matter. Sure, and maybe in the same breath you will tell me that the committee will find solutions. The solutions are obvious to all, but the government spends its time and energy consulting. It is probably easier than taking action. Equality suffers, but who cares. The government's money is being saved and God knows that is the real priority.

Violence can take several forms.

● (1120)

It can be physical, and this is the most commonly recognized. It can psychological, and its consequences are just as severe, sometimes even more so. It could be financial and it could be emotional.

Whatever its form, violence is the result of inequality, whether physical or economical. It is the concrete expression of the perception that one person is worth less than the other, is not as important as the other one, in the eyes of society and the spouse.

To eliminate that perception, a tremendous amount of work must be done, first at the individual level, because that is where concrete results will be measured. However, as I said at the beginning, on the level of society as a whole, we need a government truly concerned about the problem, its consequences and root causes. All this government can do is make nice promises and hold public consultations. I urge it to take concrete action to help women achieve equality with men.

When I say equality, I mean equality across the board—social, personal, legal and financial equality. I mean a government which will take the concrete action needed to make equality between men and women possible and to impose it. Then we will see violence against women diminish some day.

I would like to tell you about an initiative taken in Quebec to mark the terrible tragedy that happened at the École Polytechnique. This initiative is co–sponsored by various communities: the business community, labour, the government, politicians, and associations.

I would like to read the message these Quebec partners signed. It is entitled "Never again".

> December 6, 1989 will remain forever engraved in our collective memory. On that day, 14 young women lost their lives at the École Polytechnique in Montreal, gunned down by a murderer who hated women. Five years later, we must turn our minds to the devastated families and their pain, to the sadness and the anger that overcame all of us, men and women alike.
>
> This tragic event shook our entire society. It revealed the truth that women are targets of violence on a daily basis, at work and in the street, in daylight hours as well as at night, in times of peace or war, regardless of the region or country in which they live.
>
> Through the efforts of individuals, groups, and public or government organizations, various measures have been taken to identify and oppose violence against women. But we all know that it persists.
>
> Each of us must be vigilant and condemn all forms of violence against women. We must commit ourselves collectively to building a non–violent world. December 6, 1989 must never return. NEVER AGAIN.
>
> Today we remember— in order to change.

This message appeared in several Quebec dailies; 76 associations and agencies, including the council on the status of women got together to commemorate, in a very special way, that tragic day when 14 young women lost their lives.

I would like to list the names of all the signatories to this beautiful message: Assembly of quebec bishops; Association des collaboratrices et partenaires en affaires; association of Quebec native women; Quebec psychiatric association; Association des ressources intervenant auprès des hommes violents; Association des sexologues du Quebec; women's association for education and social action; Association québécoise Plaidoyer–victimes; Avon Canada; Quebec bar association; Quebec teaching congress; congress of democratic unions; centre for interdisciplinary research on family violence and violence against women; Chambre des notaires du Québec; college of Quebec physicians; human rights commission; confederation of national trade unions; Quebec conference of regional health and social services boards.

Madam Speaker, the list goes on: Montreal council of women; council on the status of women; Développement québécois de la sécurité des femmes; Fédération des ressources d'hébergement pour les femmes violentées et en difficulté; Quebec federation of CLSCs; Quebec federation of catholic school commissions; Quebec women's federation; federation of Quebec nurses; Quebec federation of labour; Quebec family planning federation; Groupe d'aide et d'information sur le harcèlement sexuel au travail dans la province du Quebec; *Le Devoir*; *Le Journal de Montréal*; *Le Protecteur du citoyen.*

• (1125)

And there are others: Quebec says no to violence against women: Les cercles de fermières du Québec; Institut de recherche des centres de femmes du Québec; order of nurses of Quebec; Ordre des psychologues du Québec; Ordre professionnel des travailleurs sociaux du Québec; Regroupement des centres de santé des femmes du Québec; Regroupement des équipes régionales Espace; Regroupement des maisons de jeunes du Québec; Regroupement provincial des maisons d'hébergement et de transition pour femmes victimes de violence conjugale; Regroupement québécois des centres d'aides et de lutte contre les agressions à caractère sexuel; Relais–femmes; Réseau des répondants à la condition des femmes, ODM, diocese of Quebec; Service d'orientation et de consultation psychologique de l'Université de Montréal; Sûreté du Québec; Quebec government employees union.

And the list goes on: the union of professional employees of the Quebec government; *The Gazette*; the University of Montreal; the University of Sherbrooke; the University of Quebec in Montreal; Laval University; McGill University; Jacques Parizeau, Premier of Quebec; Lucien Bouchard and all members of the Bloc Quebecois; Louise Beaudoin, Minister responsible for Canadian Intergovernmental Affairs; Paul Bégin, Minister of Justice; Jeanne Blackburn, Minister of Income Security and Minister responsible for the Status of Women; Jacques Brassard, Minister of the Environment and Wildlife; Jean Campeau, Minister of Finance and Minister of Revenue; Guy Chevrette, Minister of Municipal Affairs; Rita Dionne–Marsolais, Minister of Culture and Communications and Minister responsible for Tourism; Jean Garon, Minister of Education.

And also: François Gendron, Minister of Natural Resources; Louise Harel, Minister of Employment; Bernard Landry, Minister of International Affairs, Immigration and Cultural Communities; Marcel Landry, Minister of Agriculture, Fisheries and Food; Richard Le Hir, Minister responsible for Restructuring; Jacques Léonard, Minister of Transport; Pauline Marois, Minister responsible for Administration and Public Service, President of the Treasury Board and Minister responsible for the Family; Serge Ménard, Minister of Public Security; Daniel Paillé, Minister of Industry, Trade, Science and Technology; and Jean Rochon, Minister of Health and Social Services.

That, Madam Speaker, is the list of all the people who endorsed the statement marking this sad anniversary.

[*English*]

The Acting Speaker (Mrs. Maheu): We are now into 20–minute speeches with 10 minutes for questions and comments at the end.

Mr. Jack Ramsay (Crowfoot, Ref.): Madam Speaker, as I enter the discussion regarding violence against members of society, particularly women, I begin by pointing out how human life seems to have been devalued in our society. When I look at the changes of attitude that have occurred in this regard, I look at such things as abortion, euthanasia and mercy killings. I see a greater and greater acceptance of these measures which suggests an insensitivity toward human life that has led to a devaluation of human life.

Today marks an anniversary I am sure most Canadians wish did not exist. However, not to remember invalidates the lives that were lost as a result of a violent and vicious attack perpetrated because one male took out his fear, hate and frustration on a group of innocent young defenceless women.

The cause of this crime is at the heart of the debate on violence against women and other members of our society. Why are men attacking women? Why are husbands beating wives? Why is violence against women occurring at such a high rate, certainly a higher rate than before.

These are the questions we must attempt to answer if we are ever to eradicate or at least reduce violence.

• (1130)

Until we can answer these questions and until we can determine the causes of violence, we will continue to have a problem in this country which defies logic and a problem which threatens to destroy the strongest foundation we have, the family.

From 1981 to 1990 almost one half, or 48 per cent, of the women killed were killed by spouses or ex–spouses. A further 27 per cent were killed by acquaintances. Over the past 10 years 67 per cent of the homicides involving women occurred in the victims' homes. Spousal homicides amount to one out of every six solved homicides. According to statistics, over the period 1974 to 1992 a married woman was nine times as likely to be killed by her spouse as by a stranger. The rates of spousal homicide have remained fairly constant over a 19–year period.

These statistics reveal a shocking situation. Repeatedly governments in this country have neglected to address the issue which is the cause of crime. They have failed to determine, understand and do something about the causes of domestic violence. Harsher penalties, stricter gun controls and statistics gathering have done nothing to eliminate the rate of spousal homicide in this country, nothing to decrease the growing violence on Canadian streets and nothing to eradicate violence against women.

Fifty–two per cent of the spousal homicides in 1991–92 were attributed by the police to an argument or quarrel and a further 24 per cent to jealousy. What the statistics and police failed to reveal is what the argument or quarrel was about, why it occurred in the first place. I believe that finances and financial stress are at the heart of most domestic difficulties and arguments. Canadian families are under tremendous stress these days, stresses that are directly imposed on them by the economic state of this country and indirectly imposed on them by the fiscal and monetary mismanagement of this and previous governments.

With an unemployment rate of 10.8 per cent, which I understand has dropped recently to below 10 per cent, many Canadians are without a job and for those who do have a job, the volatility and uncertainty of the current job market means that no one has job security.

Years ago men and women could count on their job always being there. Job security is a thing of the past. We have not helped Canadians adapt to that situation. We have not helped Canadians adapt to many of the economic and social situations that have been rapidly destroying their way of life.

While banks reveal record profits, many Canadians are declaring personal and business bankruptcy because their debt load has become unmanageable given the relatively high interest and tax rates in this country.

We witness every day the impact financial stress is having on Canadian families. In 1991–92 statistics show that alcohol was involved in 37 per cent of slain wives and 82 per cent of slain husbands. Among perpetrators, 55 per cent of men and 79 per cent of women were noted to have consumed alcohol and 18 per cent of men and 13 per cent of women had used drugs.

I pause here to emphasize that we do not address the cause of the problems. So often we are told not only in ads in newspapers but on television to ensure that when you are drinking that you have a designated driver so that you can get plastered if you want. The only concern those ad makers and those who are paying for them have is simply to ensure that a person is not impaired as he drives home. No care or concern is given to the family situation when that drunk is dropped off at his home where he may go in and abuse his wife or his children. There is no indication that there is any interest in reducing the consumption of alcohol in this country which police and statistics indicate clearly is a direct contributing factor to crime and violence in this country.

According to statistics, alcohol was consumed by both parties in 41 per cent of wife victim cases and in 78 per cent of husband victim cases.

• (1135)

Alcohol abuse is induced by stress. We do nothing to help the alcoholic or solve his problem if we do not determine the cause of that stress.

Why are Canadians assaulting and killing one another? That is the question which must be answered if we ever hope to reduce violence in our society. This is true whether we are dealing with young offenders, wife beaters, child molesters or murderers.

Governments in co–operation with community and service organizations, churches, schools and Canadian families must find the answer to these questions. It is a monumental task but it is a task we must undertake because our traditional response to the problem of violence is not working.

In response to public appeals for preventive action the Standing Committee on Justice and the Solicitor General unanimously agreed on May 6, 1992, exactly five months after the Tories' gun legislation, Bill C–17, received royal assent, to commence a national study of crime prevention. The committee concluded:

> Traditional criminal justice responses while necessary are insufficient deterrents to acts that threaten public safety and security and the conventional crime control model fails to address the underlying factors associated with crime and criminality.

In other words the committee found that the gun control legislation, sentencing, additional police officers and law enforcement agencies, more prisons and an increasingly negative bureaucratic answer do not and will not solve the growing problem of crime within this country.

Presented to the committee were studies conducted in England, Canada and the United States. In relation to young offenders, these studies revealed that a minority of male offenders are responsible for the majority of all crimes committed.

The president of the Quebec Association of Police and the director of the Hull police force described to the committee research findings showing that 80 per cent of crimes are committed by approximately 20 per cent of the offenders.

Self reports and arrest records of offenders who have long criminal histories revealed to the committee that offending began when they were very young, that their offending became progressively more violent and that a significant proportion of persistent young offenders become the adult offenders of the future.

A criminology professor with the University of Ottawa told the committee that about 75 per cent to 80 per cent of incarcerated adults were persistent offenders in their youth. The committee heard that the level of crime in a society cannot be separated from the social, economic and political milieu in which it occurs. Social science research has identified many interrelated factors in the social environment of persistent offenders that contribute to crime.

Although the committee made a number of recommendations regarding crime prevention to the previous government based on its findings, the previous government did not introduce or even propose measures that demonstrated it was taking a leadership role in crime prevention.

We have a new government but the same approach to crime. We seem to be satisfied to deal with the symptoms of crime rather than to get at the cause of crime. Until the government of the day can identify the cause of crime, until it can identify the reasons for domestic violence and violence against women, we will continue to have this problem.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I congratulate the secretary of state for her excellent presentation on a very important matter to all members who are going to speak on this very important subject.

I have one quick example to share with members about domestic violence. I spent about five years serving as a board member of the shelter for battered women in my riding of Mississauga South. It is called Interim Place. I am very pleased that Interim Place was able to arrange for additional funding and arrange for a second shelter to be built.

Members would be interested to know that in one month alone while I was on the board 80 women were turned away from our shelter because there were no beds left. There was no place for them to go with their children. That gives some idea of the magnitude of the problem we have in Canada. As the minister has stated, one half of all women will experience domestic violence in their lives.

• (1140)

I ask the member whether he would agree that because of the seriousness of the issue of domestic violence and the fact that there is presently a bill before this House, Bill C–41, which tries to identify aggravating circumstances of bias, prejudice or hate, that the matter of domestic violence or spousal abuse be included as a matter which would demonstrate bias, prejudice and hate and warrant a more serious sentence than the simple offence that was committed.

Mr. Ramsay: Madam Speaker, I thank the hon. member for his question. I think it is important. When we deal with penalties for offences committed, I think that if the state wishes to stiffen penalties we can do that, but we all ought to stand equal before the law. The courts and judges ought to be left with the discretion based upon the circumstances to decide whether a more severe penalty should be imposed upon the culprit who through motivation of hatred or bias commits an offence against another.

I enforced the law for 14 years and I never saw an assault upon another person motivated by anything but anger, hatred or bias. I have never seen an assault conducted by a positive emotion of love or compassion. I have never experienced that. I have never taken anyone into court on that basis, and I have taken hundreds of people into courts for other types of offences during my service.

When I consider the hon. member's question and I look at Bill C–41, I ask myself why is it that we cannot leave this matter to the courts. Yes, enhance the penalties, make them stiffer. Surely when the court feels that mitigating circumstances indicate a more serious penalty ought to be levied, the court should have the discretion to do so.

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Madam Speaker, I am pleased and honoured to join in the debate this morning that this House take note of the anniversary of the murder of 14 women at l'École polytechnique on December 6, 1989, and the continuing urgent need for action to eliminate the threat of violence in society, including the threat of violence against women.

I find this debate particularly important because a year ago today I went to a memorial in Montreal. I spoke at the memorial for the 14 women. It is an experience that has left me with a commitment to society, a personal commitment to see that human beings show respect and dignity to one another that is deserved, a love, caring and commitment to work hard with all people in society.

We must work with men, women, families and communities, different levels of government, all the institutions in our country and with our children, toward a violence free society. It is a very

difficult thing to do in this day and age when the world is seized with wars.

• (1145)

We have mass media with pervasive influence that shows violence and there is desensitization about the effect of it. We have an onerous task not just to make laws but to make it a state of mind. We have a commitment to deal with it in a very human way. It is not just an issue on one day of the year; it is a state of mind. It is the way we live. It is the way we relate to each other. It is the state of mind with which we approach the work we do as lawmakers, as legislators.

Recently I was unable to attend a conference in Vancouver and one of my female colleagues from the area replaced me as there were things that needed to be said that I felt very strongly about. These are some of the things that were said: "Our voices need to be added to the urgent debate about the challenges facing Canada's families. Violence is not an issue of one person or of one gender. It is an issue of humanity and it is an issue of all peoples".

I am especially pleased to speak to the vision of Canadian families living violence free. I am proud to be a member of a team that dares to dream, one that has faith in our capacity as individuals and as a nation. Our dream for the country was clearly described in our document "Creating Opportunity". It is based on the belief that each of us can be part of the solution.

I am particularly proud of my colleagues, the Minister of Justice and the Secretary of State for the Status of Women. It is not easy to seize particular issues that would help free society of those who would perpetrate violent acts and those who would take the opportunity not to do good. To roll that into a legislative agenda, to roll that into something that is accessible, fair and universal in approach, is very difficult.

I look at the different attempts by the minister to change the Criminal Code and to deal with a number of very contentious issues, controversial issues, such as gun control legislation. A very difficult agenda is set for these individuals. I appreciate the work they have done.

We are committed to changing the future and recreating Canada in a way that works better for all of us. We believe we can build a better country through stronger children and stronger families. People tend to focus on one issue or one aspect. Segmentation or compartmentalization of issues makes it easier, more manageable, but is not realistic.

We cannot separate the child and say the child is unaffected. We cannot say the spouse, the family, the grandmother or the community is unaffected when there is violence in a family or in a community. It does not work that way. It is pervasive. The power of things that go wrong, the negative things, is very influential on people, many of whom are young children in their formative years.

We are committed. Our vision stems from the simple but profound philosophy that everyone has the right to safe homes, safe streets, and a life free of violence. No one deserves to be abused physically, sexually, emotionally or financially. No one has the right to control another person by threat, coercion, physical intimidation or any other abuse of power and control. Child abuse and neglect, child sexual abuse, wife assault, spousal assault, other forms of violence against women and other people, and the mistreatment of seniors and persons with disabilities are serious abuses of power within families and relationships of trust and dependency with detrimental consequences for all of us. They shame us as individuals and as a society. Those are the people who depend on us the most. They have greater need and less capacity to care for themselves. They are the disabled, children and seniors. Those people do not deserve to be mistreated. They do not deserve to be treated with anything but kindness and generosity.

• (1150)

The costs of violence and personal suffering, social breakdown and direct government expenditure are incalculable. The hundreds of millions of dollars in social spending do not begin to pay the price of broken spirits and damaged lives, in some cases irretrievably damaged. Sometimes it starts a cycle that continues from one generation to another. It takes an enormous amount of effort to break that cycle or the silence. To correct those wrongs costs a lot more money and takes a lot more effort than if we are proactive and able to take preventive measures. We are paid back enormously for taking those steps.

The complexity of family violence requires a long term, co–ordinated approach to address the root causes. We must eradicate the conditions that contribute to family violence and provide the proper environment for young people to escape the vicious cycle associated with abuse.

Only when each and every Canadian lives without fear can we say we live in a violence free society. An important part of the solution is to influence the conditions of socioeconomic inequality that reduce vulnerability to family violence. It is not an excuse; it is a condition. Violence is inexcusable but there are mitigating factors. There are things beyond control, beyond the emotional, financial and social capacities of individuals who fall victim to becoming perpetrators.

We need to address sexism, ageism, ableism, racism and other isms. We need to assure adequate access for all to appropriate services before we can hope to make Canada a safer place. The federal government recognizes the need to treat these issues as fundamental social problems with widespread ramifications for our families, indeed our entire society.

I am particularly worried about young people as the Secretary of State for Training and Youth. We give our children an enormous gift when we teach them to care and to nurture properly, when we teach them to respect the dignity of other persons, when we teach them to treasure having children, having grandchildren and belonging to a family. They are not to be neglected or abused. They are to be cared for and to be taught. Good values and principles that presumably guide what we do, even in the House, should be passed on.

Each year the federal government directs millions of dollars to Canadian children and their families to ensure they have access to the necessary conditions required for optimal health and personal growth and development.

We have introduced a variety of preventive measures including the child development initiative, the child sexual abuse and family violence prevention initiatives, and building healthy aboriginal communities aimed specifically at providing protection for children and creating safer communities through social development and social investment.

A central consideration in these reforms is the security of children and their families. We are asking what people need in the form of rehabilitation and family support services, education, skills upgrading and training to take control of their lives. How can we help families succeed?

If we empower people with adequate means and opportunity, we are convinced that we will enable them to access education and employment opportunities that lead to healthy, rewarding, self–sufficient lives. As a result it will allow people to provide a better quality of life for their families.

In a perfect world that would be enough but life is more complicated than that. There are things beyond the control of lawmakers. There are things beyond the control of governments at all levels. There are things beyond the control of people of goodwill. These are the things we expect. However they do not stop us from working, continuing to push and believing there is a better tomorrow. We have to try harder for our families, for our children, and essentially for our community and our country.

• (1155)

When children thrive our society is renewed. By nurturing healthy youth, ensuring they are physically, mentally and emotionally well, educated and employed, we run the best chance of creating healthy families.

I guess we are successful in many people's eyes. We have jobs we are proud of and have managed to earn a living. We are honoured to represent the people. In the end society will not judge us on how well we do but on how well our children and our grandchildren do and what we contribute to our communities. How well our children and grandchildren do will be the significant judgment of us in terms of what we have contributed to society.

These efforts reflect a growing movement not only in favour of prevention but in support of fundamental, social, economic and cultural change. It is a movement toward investing in people. We have a lot to do but we have each other to do it. Canadians working together, dedicated to building healthier communities, are making a dramatic difference. Not only are we proving that families matter. We are demonstrating we can make improvements in people's lives by refusing to tolerate societal violence.

Let us talk about various forms of violence. Let us take a look at a 10–year old or 14–year old child. I have raised three children. I know what children of those ages are like. We wonder where the children are and whether we have hugged them today. All that comes to mind.

Let us take one city in our country which I will not name because it would not be fair. There is a problem in that city; it has 400 juvenile prostitutes between the ages of 10 and 14. That is not prostitution, that is juvenile or child sex abuse. It is a real problem. It is a form of violence that has been perpetrated upon our most helpless, our most treasured, our young people.

We have a responsibility. It is not only in one city. There is a problem in every city one could name. I make it my business to go to the source to see young people. We cannot do everything but we are doing some things right when we help those young people.

It cannot be done alone. It is not a woman's problem or a child's problem. It is everybody's problem and everybody's responsibility. As a caring and just society we have no option but to make families our priority. We owe it to our children and to ourselves. If the challenges are great, the promise of progress has never been better.

In 1994, the International Year of the Family, families have assumed their place on international and national agendas. Throughout the International Year of the Family the Government of Canada, in partnership with all sectors of society, has worked for the betterment of Canadian families. These partnerships have contributed to sensitizing Canadians to numerous and complex issues facing today's families such as family violence.

Most important, we must reinforce the principle that strong and healthy families create strong, healthy and productive societies. By building on this momentum we will recreate Canada together in a way that mirrors our dreams and hopes for ourselves and will achieve our visions for our children and our future.

It is interesting to note that in my riding of the Northwest Territories there are four women's shelters.

• (1200)

This coming weekend one of my tours of going to the source as I put it will be to Sutherland House which is a shelter for women. Oddly enough it is communities that care that establish these shelters. They try to help themselves by helping the victims, by helping the families and the children. Whether or not we like to admit it most of them are women and children. They are the primary victims who take refuge. They are the ones who have to leave their homes, their living rooms, their beds to seek shelter elsewhere.

Shelters have a 24–hour crisis line and apparently that is not enough. I have visited other shelters in communities such as Hay River. All these people have their own stories to tell but the big one is that we need to continue to work. We need to continue not to isolate people nor to blame or to point fingers. We need to join hands and work together. If we cannot stop these people who perpetrate violence, we can take measures that will help the people caught in those unhealthy relationships take the steps to get out, to make the commitment for a better life for a better tomorrow.

Thirty–nine per cent of all women in violent marriages have reported that their children witnessed the violence against them. This is interesting because shelter workers in my riding believe that at least one in four NWT women have been abused by their partners. The NWT rate of reported sexual assault is the highest in the country. Girls 7 to 18 years old were the complainants in 54 per cent of sexual assault cases in the Northwest Territories for 1988 and 1989.

In Canada women are assaulted an average of 35 times before the police are called to assist. In Canada one in three women will be sexually assaulted by a man at home at some time in her life. Twenty–nine per cent of all women in Canada who have been married or who have lived in a common–law relationship have experienced physical or sexual violence at the hands of their partner. In Canada 90 per cent of sexual assault crimes are not reported to the police.

According to the 1991 census there were 27,595 women in the Northwest Territories and 47.4 per cent of the population was over 15 years old. Forty per cent of all aboriginal peoples identified family violence as an important problem in their community. People on reserve and Inuit identify these forms of violence more than those who live off reserve and Métis. That is from the Canadian Institute of Child Health. It goes without saying that we definitely have a real problem but more than that we have to work on our commitment.

We have to remember that we have a commitment to our children, to societies and to ourselves. Each and every one of us whether we are men or women have a commitment to the kind of work we want to see out there. We want to see results. We have a commitment to our communities and to our country. In remembering those 14 women we can build something positive from this.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Madam Speaker, I listened with great interest to my colleague, the Secretary of State for Training and Youth, and my friend, the member for Chambly, who is sitting behind me, said that sometimes the governing party's right hand does not know what its left hand is doing.

Violence against women will never stop unless and until we have complete and total equality. The Canadian government must start by setting an example. Complete and total equality begins in the cradle, of course, at school, in day care, in college, in university and finally reaches the work place.

• (1205)

When the government here can say that it pays its staff the same regardless of sex, we will say thanks. It will be a step in the right direction when our children will be completely safe everywhere.

For example, in Sherbrooke, in my region, there were three rapes in six weeks. My daughter, who is studying police science in college, was walking in the vulnerable area with a female friend. They were stopped by the police, who told them not to walk there. They asked why. He said that as good–looking girls, they were in danger of being raped.

You see, because they were girls, they were not allowed to walk on the sidewalk in a part of the city. That is equality.

Another girl told me that she was also walking, alone, it is true, and was harassed by two people in a car. She had time to take down the licence number. A few seconds later, a policeman passed. She signaled him and gave him the message. He told her: "You should not be walking here. It is a bad area. You are in the red–light district. Go and walk somewhere else." That is the kind of freedom we offer our women and girls.

The Secretary of State for Training and Youth said that she had raised three children. I too have three children, including two girls. I would not be proud if my two daughters were not able to find as good a job as my son, because of unequal treatment. I would not be proud of the government of my country, be it Quebec or Canada, where my children would not have access to equality.

Earlier, when the hon. member for Chambly alluded to double talk, I was reminded of the famous but tragic Thibaudeau case. Who is appealing Ms. Thibaudeau's case to the Supreme Court? The government opposite.

The social program reform will primarily hit spouses, because from now on the family income, that is the salaries of both spouses, will be taken into account. Double talk indeed. I cannot

wait to see a government which will not resort to this double talk, a government which will act and act swiftly.

Here is the best example. Today marks the fifth anniversary of the tragedy at the École polytechnique, where 14 young women were killed in cold blood. The government started talking about firearms control. Some statement was made last week in the House, but things will drag on until 2002 or 2003 before the issue is settled. Tragedies such as the one which occurred at the École polytechnique could be repeated several times before tight and strict legislation is in place.

I was told last week that in some Montreal clubs, bars or taverns, it is easy to get very dangerous offensive weapons for a few thousand dollars. It is as easy to buy a firearm as a good used car.

• (1210)

I would like to hear the Secretary of State for Training and Youth, because she sounded really sincere earlier. I want to ask her if she is ready to stick her neck out by asking her government and cabinet to stop using this double talk once and for all and to do everything it can to ensure that women of all ages can truly enjoy gender equality.

[*English*]

Ms. Blondin–Andrew: Madam Speaker, I do not think it is necessary for my hon. colleague across the way to make the unreasonable demand of asking me to put my seat in the House on the line. There are other ways to deal with some of the serious issues he has brought forward.

Gender equality is not one that escapes me. I have been a working woman all of my life. I know the trials and tribulations of essentially what used to be working in a man's world. In a sense we are graced with the presence of many good working women in this House at many different levels and in many capacities.

Let me deal with some of the issues my hon. colleague has addressed. He talked about putting my seat in this House on the line for the equality of women and to bridge the pay gap between men and women and that sort of thing. It should be noted that we have taken great steps to have a more inclusive employment equity legislation put forward. We are working on it at this very time. He will be happy to know that it is mostly women who do a lot of the work on this legislation. It is not just for women, but for the disabled, visible minorities as well as aboriginal peoples who are also equally challenged.

The member talks about the full security of children being able to live above the poverty line. With social security reform it is becoming very evident that child poverty is one issue we are very seized with, but we cannot just wave the wand and expect all the problems to go away. It will become evident as will all of these proposals as the responses come back that child poverty is one of the concerns we share with my hon. colleague.

The other case he cited was a typical one. There is a process in place but I will not speak to it because it has already been advanced to a higher level. The member talks about the issue of income testing. The hon. member knows there is a process in place with regard to social security reform. The proposals are with the committee which is going across the country listening to people. People have expressed very loudly and clearly similar concerns about income testing. All those things will be ultimately considered.

A man sitting across the way should not ask a women to put her seat in this House on the line if he really believes in gender equality.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Madam Speaker, I would like to say it gives me great pleasure to stand and speak before the House on this issue, however I feel that the fifth anniversary of a tragic event is not really a time for celebration but one for reflection. It is the fifth anniversary of the massacre at l'École polytechnique in Montreal. I think all Canadians feel a sense of horror that anything such as that should ever happen in our country.

It was a tragedy when 14 young women were slain simply because they were female. I do not think there is anybody who does not feel the sense of outrage that gender should have been a factor in why anyone, male or female, would decide to end the lives of 14 young women.

In my one year as a member of Parliament I have met with dozens of parents whose children were slain. Children were slain because their murderers did not like the way they were wearing their hats. Children were slain because the murderer was intoxicated. Children were slain because they were walking down a busy street in the middle of the afternoon and just happened to run into the wrong person.

• (1215)

Parents are unanimous that the justice system must be changed. They want to know how it can be called a justice system when it calls for Robert Latimer to receive a life sentence with no hope of parole for at least 10 years for killing his disabled daughter in what some perceive to be an act of mercy.

Compare that with a man named Glenn Williams from my constituency who murdered his wife, the mother of four young children, the youngest six months old and still nursing. This man not only murdered his wife, but proceeded to clean up the house, clean up the murder scene, clean up the body of his wife, put her back into bed and call attention to the fact six hours later.

The murder scene gave no indication of what really took place. All that we have is the version given by the murderer, by Mr. Glenn Williams. While he was originally charged with

second degree murder, he was instead convicted of manslaughter. He received a five–year sentence.

The law says that Robert Latimer will serve a minimum of 10 years for his crime. The same law says that Glenn Williams will only have to serve 20 months. The system itself is flawed. For the last 20 years society has put the emphasis on the rights of the offender rather than the protection of society. This has to change.

The number one priority of the criminal justice system has to be the protection of society. We will never eliminate all the violent crime from our communities, from our society. Crimes of passion, fits of anger will always exist. Unfortunately a lot of crimes are committed by people who choose to abuse substances. That will always be with us unless we are willing to deal with the situation.

People are extremely upset when crimes are committed by previous offenders. How many opportunities must an individual get to continually violate, abuse and commit violent crimes against another person? How many people should an individual be allowed to hurt?

At the Reform Party's last assembly we passed a resolution that would call for criminals who have committed their second serious personal injury offence to be automatically designated as dangerous offenders. That means these people would be subjected to indefinite sentences. If the parole board believes these people are still dangerous they would continue to be incarcerated. If they are perceived to be a minimum risk or a good risk for parole, they could be paroled and let free. They would always be subject to some kind of supervision for the rest of their lives, considering what risk they pose to society.

Right away members from the Bloc will probably call such a measure draconian. The fact remains that a recent poll by Léger and Léger showed that 76 per cent of Quebecers agreed with this position. Only 16 per cent were opposed. I am confident that if a poll were taken across the country we would see similar results. Most Canadians agree that serious offences by dangerous offenders should be considered in that manner.

Canadians are sick and tired of criminals being allowed to commit serious crimes over and over again. Take the case of Wray Budreo. This man has over 35 convictions for sexual offences against children over a 30–year period. For his last conviction he received six years. Only a public outcry prevented him from receiving a statutory release and he was required to serve the entire sentence. The day his sentence expired people were outside the prison gates protesting his release, with just cause I would suggest. The law said that he had to be released even though many considered him still to be dangerous and a risk to society. When it was learned that he was residing in Peterborough many of the residents were concerned about his presence until he moved to Toronto.

• (1220)

Mr. Budreo was upset with the attention he was receiving. He says he is not a threat and that he just wants to get on with his life. I hope Mr. Budreo knows himself well enough to be making that kind of assurance to society. I hope that he never commits another criminal offence. I hope no other child becomes one of his victims. But the odds are not in his favour.

Paedophiles like Ray Budreo cannot be cured. At the very best they can only be controlled. But because of our justice system we cannot even see that Budreo is being controlled. The justice system says there is nothing it can do to protect society, to protect other children from becoming his victims. It infuriates Canadians to hear that their justice system cannot do anything to protect them from this kind of violent offender.

There is something that we as parliamentarians can do and that is to enact legislation that is necessary to protect society. Some legislation may infringe on the rights of criminals but incarceration in itself can be considered an infringement on the rights of criminals. We cannot abrogate our responsibilities as lawmakers just because we fear court challenges. The people of Canada have entrusted us to enact the necessary legislation to protect them. I would suggest that we have an obligation to Canadians to do just that.

This thought, this concern, was reiterated by Justice George Finlayson of the Ontario Court of Appeal this past Friday. In commenting on the appeal of Keith Léger, the justice made the following comment: "If society wants paedophiles more tightly controlled then it is up to the Government of Canada to legislate—but certainly not up to the court to stretch existing laws to the maximum". I think with Léger that is what this trial judge did. That is where we are at. It is up to us to make the laws.

When the justice minister introduced his gun control package last week he said that his package has the support of the majority of Canadians. I am pleased to see that the minister acknowledges the importance of the feelings of Canadians. I would like to take it for granted that the minister will soon be introducing a bill that would reintroduce capital punishment. After all a majority of Canadians favour the reintroduction of capital punishment into our justice system.

Unfortunately it would appear that is unlikely to occur. I would like to suggest to the Minister of Justice that he cannot have it both ways. If he wishes to invoke the spirit of public support with some legislation then he should be doing it with all legislation. If his gun control package is good legislation because he has the support of a majority of Canadians then reintroduction of capital punishment would be an equally good measure because it definitely has the support of the majority of Canadians.

This is a deciding factor in distinguishing the difference between the two parties. For the Reform Party the will of the majority of Canadians has priority whether it conforms with party policy or not. With the Liberal Party public support is only relevant to those issues where the majority of Canadians happen to agree with it.

Let us not make any mistake here. The public are demanding that tougher laws be enacted in our criminal justice system. Right now the justice committee is considering Bill C–37 which deals with amendments to the Young Offenders Act. Nothing seems to stir up citizens more than seeing young offenders being dealt with with kid gloves after they have committed serious and violent criminal offences. If we condone or minimize the violent acts of our young people against others how can we stand in the House denouncing violence against women? It is one thing to bring in the reverse onus clause for 16 and 17 year olds but Canadians believe they should be treated as adults, particularly when they commit serious violent offences against others.

• (1225)

In my spring householder I asked the following question: "Should the age limit in the Young Offenders Act be lowered from the current 12 to 17 year olds to cover only 10 to 15 year olds?" With almost 3,500 answers the response was 91 per cent in favour. Ninety–one per cent of my constituents thought that the age limit in the Young Offenders Act should be lowered. I am sure that if the Liberals asked the same questions in their householders they would get similar responses.

Does public opinion still matter to the government, or will it try and evoke that parochial attitude that "it knows better"? How can it use one tragic, heinous crime five years ago to justify an attack against all men as being violent against women in general? Canadians are demanding protection from all violent crimes; against men, against women and against children.

In the face of this concern experts keep telling us that violent crime is not really increasing. They point to a number of surveys to justify their claim. I do not feel like getting into a statistical war but I would like to present one statistic. According to Statistics Canada, in 1971 there were 204 crimes of violence for 100,000 persons; in 1991, just 20 years later, that rate had jumped to 1,099 crimes of violence for 100,000 persons. That is a 500 per cent increase in violent crimes in the last 20 years. That is what Canadians are concerned about.

Twenty years ago parents had no problem with young children playing with their friends outside. Today young children usually play under parental supervision. Twenty years ago high school students did not have any fears walking to school. Today young people are encouraged to walk in pairs or in groups, not just girls but also the boys.

The danger of walking alone really hit home in my community on October 4 of this year. Sixteen year old Pamela Cameron, a young girl who had just moved to our community, had just left school, had coffee and muffins with some friends of hers at a muffin shop and was walking along the busiest street in our community in the middle of the afternoon to visit her boyfriend. She did not make it.

Two blocks from my constituency office at four o'clock in the afternoon, Pamela Cameron was murdered. She was pulled off the busiest road in my community into some bushes and brutally murdered.

For the next week or so while the murderer was still at large, the community was in absolute distress. There was such fear in my community that parents would no longer let their children walk to school by themselves. They were driving their kids to school. They were driving their kids to their jobs. They were not allowing their daughters and their sons out of the house.

Ten days later when the individual gave himself up to authorities and was charged with the murder, there was a tremendous relief in our community. Finally they could finally feel a little more comfortable. Then the sense of relief over the tension of the capture of the accused turned to anger when they found out that this accused had a criminal record and was considered to be a violent and dangerous offender when he was released from prison.

To the credit of my constituents they turned that anger into something very positive. They formed community groups that would be available to search for missing youngsters immediately. They began a campaign to support my private member's bill which deals with being allowed to keep dangerous offenders in detention after the expiration of their warrant. In one day at a local shopping mall they were able to collect 1,000 letters each addressed to the Solicitor General and to the Minister of Justice. They were able to come up with a petition with 6,700 names. In Milton, Ontario, where the young girl came from her older sister collected over 10,000 names on a similar petition, a community showing its support for a private member's bill that talked about dealing with dangerous offenders in a very serious way.

• (1230)

Something quite miraculous happened last week. Despite the fact that all members of the Liberal Party and the Bloc who spoke in debate were against the bill, last Thursday that bill miraculously passed second reading unanimously. I am not sure what happened but I would like to think it was the indication of the public that they were extremely concerned about violence in our society and they wanted this House to pass legislation to deal with the problem and to put the protection of society above and beyond the rights of the accused.

On this fifth anniversary of the massacre at l'École polytechnique we must pay special attention to violence against women. We as a society must clearly send a signal that domestic violence against women and children will not be tolerated any more than violence against strangers. Whether the violence originates with a spouse, another relative, a friend, a coworker, a boss or even a stranger it is a concern we have to deal with. Evolution has given males a physical strength, a superiority over females but our laws are supposed to level out the playing field.

Unfortunately for many years the law has been complacent with some forms of violence against women, especially spousal abuse. Even today while society publicly condemns the act, that the victim was the offender's partner appears to be a mitigating factor in these crimes.

We cannot continue to excuse violence against women or children. We must continue to address this problem. Whether it is through education, community intervention, treatment, or criminal sanction we have to repeat the message that violence is not an acceptable means of expression. It is not acceptable to abuse our spouses, our children or for that matter any other human being.

As the mother of four boys I find it difficult sometimes to encourage young boys who are rough and aggressive by nature to realize there are limits to that aggression. As parents it is our responsibility not only with our young boys but also with our young girls to get them to express their feelings of frustration and anger in non–violent ways.

Thank you for the opportunity to speak in this debate. I do hope we see a decided change in violence against all persons in our society over the next 20 years.

Mr. Jim Jordan (Leeds—Grenville, Lib.): Madam Speaker, I want to congratulate my colleague on her fine speech and a lot of interesting statistics. I have no problem with a good deal of what she has related. The hon. member mentioned several sources of her material, some of the research that has been done and the sources of those. That is always worthwhile.

I would like to know which study determined that the majority of Canadians are now interested in returning to capital punishment. It seemed to me that was mentioned in the hon. member's speech and I am not questioning the validity of it. Perhaps she did not mention the source of that study. I would be interested in knowing what the source is and in asking for that I am not for a minute questioning the member's integrity.

• (1235)

Ms. Meredith: Madam Speaker, actually there have been a number of polls. I believe the first poll was taken in 1982–83 where about 80 per cent of Canadians supported the return of capital punishment. There was another poll done a couple of years ago where 76 per cent of Canadians wanted the return of capital punishment.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Madam Speaker, I have listened attentively to my colleague's remarks. I would agree with her that it is important to denounce the deplorable crimes that have been committed, but I would point out that it is also important, in the course of a debate such as the one here today, to look for the real causes of this situation. The violent behaviour we are seeing is often just the symptom of a situation created by society.

In this regard, I think that particular attention should be given to the reform of social programs and to how we intend to help all members of society live in acceptable conditions.

If our analysis went deeper, might we not conclude that people exhibiting aggressive, unacceptable criminal behaviour often turned to this behaviour because they did not have the same opportunities as others early in life? Perhaps our social programs did not provide access to adequate daycare for those who needed it, and thus did not truly attempt to eliminate child poverty.

Should we not be examining this aspect of the problem in seeking definitive solutions, rather than limiting ourselves to remedial and punitive action?

Of course we will always be faced with finding solutions to specific cases of unacceptable violence, such as the one that took place at the École polytechnique, but there are also all the other cases that arise.

Should we, as elected representatives, not be looking for long term solutions, rather than enumerating truly reprehensible situations, situations that are unacceptable? Our examination of the problem must go deeper and it must produce solutions.

I would put the following question to the hon. member: Is there, in the Reform Party program, the necessary compassion, the necessary acceptance of situations, and satisfactory proposals for improvement? Is everyone ready to implement the 1989 Parliamentary declaration against child poverty? Should the emphasis not be on prevention, so that we do not repeat the American experience, where more money is being spent on prisons that on helping people?

[*English*]

Ms. Meredith: Madam Speaker, I thank my hon. colleague for the question. Certainly the Reform Party does support crime prevention but we cannot have crime prevention only and not deal with crime itself.

We believe the social programs should be directed to those most in need. In reality poor people commit crimes but so do rich people. Crime crosses all barriers. If the hon. member honestly thinks that to solve the problems of poverty is going to

remove crime, I would suggest that he take a better look at who is committing crimes.

A lot of crimes are committed by people who come from the most privileged situations. I could go on and name a number of them we are all familiar with, from Thatcher in Saskatchewan to Huenemann in B.C. who killed his mother and grandmother because he did not want to share a $4 million estate.

Crime crosses all barriers. We have to deal with those problems we see in society that need to be addressed, poverty, illiteracy, those kinds of situations. We must direct that support to those most in need. We must not make it universal so that people who do not need the help get the help and the help that goes to those most in need is insufficient to look after the problem.

• (1240)

Hon. Audrey McLaughlin (Yukon, NDP): Madam Speaker, I listened carefully to the hon. member's presentation. I found it somewhat surprising that on a day when we are commemorating the murder of 14 young women that the member would be talking about reinstating capital punishment. That seems to be a contradiction in terms of the issue at hand. There are many criminal justice actions that can be taken.

Given the fact that part of the issues concerning the safety of women relate to their accessibility to information and support, does the Reform Party support core funding for women's centres? As the hon. member will know, every province and territory in this country provides that kind of support to women but we do not have core funding for women's centres. Would the Reform Party support that kind of proposal?

Ms. Meredith: Madam Speaker, I would not support core funding from the federal level. I do support funding from the communities where these programs are located. I would also support funding from the private sector in the local community and from the provincial governments. The support of these centres for the delivery of these services should be closer to the location.

Ms. McLaughlin: Madam Speaker, I must say I find the hon. member's response rather shocking.

It seems to me that what the member is actually saying is that women who are beaten and sexually and physically abused should rely on bake sales. If we are really serious about violence against women in this society the bake sale option is not good enough. Let the military have a bake sale.

Does the member support zero tolerance of violence against women? If so, how does she propose that simply by the government not taking any role to support women through women's centres and support services that this will happen?

Ms. Meredith: Madam Speaker, I would suggest that as a member of the House of Commons my role is to make sure our laws take spousal abuse and abuse against women seriously. When an individual murders his spouse he should get more than five years for manslaughter or a 20–month sentence of incarceration. Until our laws seriously take into account violence against women and give a sentence appropriate for the act we will continue to need transitional houses of all kinds.

Many of my colleagues probably support these transitional houses through our 10 per cent donations to charity. I am not for a moment suggesting that bake sales are the way to raise money any more than I would suggest that bake sales are the way for anybody to raise money. However there are ways through education and promotion where the community can and does support transitional houses for battered and abused women and children.

That is where the emphasis has to be placed. It is the community's responsibility to take ownership of the problem and get involved. They must stop expecting government to do it for them.

Ms. McLaughlin: Madam Speaker, can I be perfectly clear in asking the member, would she then say that she does not support nor does the Reform Party support any funding for transition homes through the Canada assistance plan?

Ms. Meredith: Madam Speaker, not knowing enough about it I cannot comment on whether or not I would support it. However, I would suggest that the Reform Party does support in many different ways, and I mentioned one through 10 per cent of our salaries being given to charitable organizations, that we do support charitable organizations such as transitional houses.

• (1245)

[*Translation*]

Hon. Audrey McLaughlin (Yukon, NDP): Madam Speaker, first of all, I would like to note the contribution made by a former New Democratic member of this House, Dawn Black, who introduced the bill for the establishment of this day in memory of the 14 women from Quebec, to be observed throughout Canada every December 6 and known as the National Day of Remembrance and Action on Violence Against Women.

I think that it is very important to mention the names of these 14 women who died so tragically. Those who were killed must not be forgotten. The 14 victims were: Geneviève Bergeron, Hélène Colgan, Nathalie Croteau, Barbara Daigneault, Anne–Marie Edward, Maud Haviernick, Barbara Klucznik Widajewicz, Maryse Leclair, Annie St–Arneault, Michèle Richard, Maryse Laganière, Anne–Marie Lemay, Sonia Pelletier and Annie Turcotte.

I would like to quote from the brief by the Canadian Labour Congress and its status of women and human rights committee: "Imagine a world in which girls and women were safe in their homes, their schools, in the streets and in the workplace". Imagine, Madam Speaker.

[*English*]

All of us want to imagine what it would be like for all women and children to feel safe in their homes, in the streets and in their schools.

I will address several specific issues this morning. Many statistics have been given which I do not intend to repeat today. Rather, I will address several issues which I think are extremely important in specifically addressing the issue.

The first issue is that of gun control. It was for that reason in the previous Parliament my party supported legislation leading to greater gun control. It is still a question and more legislation will be coming before the House.

However I raise several points. In part I acknowledge the work of Yukon psychologist, Paula Pasquali. She raised some of these points as a woman and a psychologist who has worked tirelessly for many years on the issue of violence against women. She raised whether we are often talking about the wrong issue or asking the wrong question and whether we should be asking more specifically questions about safety. As Ms. Pasquali has noted, there is no doubt that some forms of gun control have certainly limited the accessibility of firearms to be used against women in the home, although we know it is still a great risk for many women because women have indeed been killed in the country.

She has proposed that we should also look at prohibiting individuals with a history of violence or threatening behaviour from acquiring firearms acquisition certificates and at taking firearms away from individuals who have been convicted of violent offences. We do not need any reforms to do that; we could do that under the existing Criminal Code.

One study funded by the Department of Justice found that police rarely seize firearms in homes where they respond to domestic calls, even though they know of their power to do so and are aware of the extent to which firearms are used against women. I would guess that firearms prohibitions are rarely ordered in cases of wife assault. This can be done under the existing law.

There is nothing radical about suggesting that firearms should be restricted for those who have committed violent crimes.

• (1250)

One argument put forward is that taking away guns from people who rely on them for hunting or trapping would take food off their table or take away their livelihood. In those cases there is clearly an argument that they should be required to store guns outside their family homes. I am talking specifically about people who have been convicted of violent crimes.

We should broaden the debate around gun control and not specifically relate it to the narrowness of it now. We should look very clearly at what it is we want to accomplish, which deaths and which crimes we are trying to prevent, and setting priorities. Should we be looking at more specifically violence in the home in addition to proposals that may reduce it through gun control? We also have to evaluate the current gun control act and look at how moneys could best be spent to eliminate violence in the home and the use of firearms in the home.

A second aspect of the criminal justice system of great concern to all of us is that we must insist that the system work to the benefit of women who choose to lay charges. There have been a number of studies. One recently completed in Ontario found that women were invariably disappointed with the response of the criminal justice system to assaults committed by the men with whom they lived. Many women do not want their partner to be punished but expect and need a system that will take effective action to ensure safety.

This Ontario study demonstrates that only rarely does the sentencing imposed accomplish the goal. Indeed Ms. Pasquali's own studies on sexual assault in Yukon do not give much hope unless there is a system in place which is clearly focused on the victim, on the needs of the victim, and on support for the batterer in terms of groups for batterers and so on.

In 1983 the Solicitor General of Canada issued a directive to the RCMP to lay charges and to the crown to prosecute charges of wife assault irrespective of the women's wishes. A lot of us at the time felt it was a good directive. Perhaps it is time to look at whether it has been effective for women. We should look at all laws that have been put in place to accomplish these ends.

A third issue in the criminal justice system I would like to address is the issue of those who have committed a violent crime getting a lesser sentence or being found not guilty on the basis that they were intoxicated by alcohol or had used drugs. The government should undertake to change the Criminal Code in this aspect. It has been a great shock to women across the country to know that in this day and age when the issues of violence have been so much addressed that this is still possible. It is totally unacceptable. I have received petitions from individuals all over the country who are outraged about it.

Services and the accessibility of services are very important. All women in violent situations live in fear. It has only been in the last 15 to 20 years that we have had a network of services: transition homes, hot lines, women's services and rape counselling centres. We have been able to say to women that violence is not acceptable, that they have an option. Society has taken on its responsibility. We as a society are responsible for the safety of our citizens.

I refer to the proposals of the Liberal member of Parliament from Hamilton—Wentworth who is saying that funding should be cut to interest groups. He cited in his comments in a number of places women's groups. Let me put forward a few statistics about what the priorities in society should be. We hear that society cannot afford some of the work support groups or advocacy groups do on behalf of women and children.

• (1255)

Why is it, many women must wonder today, that in 1992 the Canadian government gave a federal grant to Pratt & Whitney of over $54 million and in the same year gave the Canadian Day Care Advocacy $183,000? Why is it that in the same year the Canadian Marconi company received almost $10 million while the Canadian Research Institute for the Advancement of Women received about $250,000? Why is it that Spar Aerospace received almost $14 million that year and the Disabled Women's Network of Canada received just over $100,000?

Today of all days is the day to put to rest the mythology that it is not the responsibility of a government to address the safety of its citizens. To do so there must be local resources available for women and the federal government has a role in that.

In terms of accessibility I want to mention specifically rural areas of Canada. As many members will know, it is very difficult in most rural areas of the country for women suffering abuse to receive support services or often to receive legal or court services because of isolation. It is particularly important today to ensure that rural areas have a special focus in the planning done at the federal, provincial and territorial levels.

I can give two local examples. The Victoria Faulkner Women's Centre in Whitehorse, Yukon, has had to move three times in the last year. It is trying to offer services to women. It is one of a few services readily accessible to women in Yukon. It is shocking that this service cannot find a permanent home. Similarly in Watson Lake, Yukon, the Help and Hope Transition Home for Families is under threat and has had to shut down part time because of a lack of funding. It is through the Canada assistance plan funding for transition homes that territories and provinces receive partial funding for these homes.

We have not eradicated violence against women. I wish there was no need for transition homes for women who have been battered. However the need is there. Every day at the doors and on the phones of women's centres and transition homes across the nation, in every province and territory, there are people who are desperate for help. We cannot turn our backs on them.

This leads me to the social security review that barely addresses the particular issue. It addresses the Canada assistance plan. If the government were truly serious in its social security review about looking at all aspects of issues affecting families, it would have made a specific commitment to seriously address the issue of violence against women and children. It is not there, which is very disconcerting to many of us.

The issues of poverty and inequality relate to violence against women. There is no doubt that things like the NAFTA and the Canada–U.S. Free Trade Agreement have adversely affected the working lives of many women. Often it is women who have felt the brunt of the negative aspects of these trade arrangements. It is women particularly who have felt the brunt of cutbacks to social services in every province and territory.

It was mentioned today by the minister in an extremely important speech that women were central to the training of children in our families and to family life. Yet we still have one in five children in the country living in poverty, which means they have poor parents.

• (1300)

This is a form of violence everywhere in the world but it is a form of violence we can do something about. We have been very good in the House, as we were in 1989, saying we want to eradicate poverty by the year 2000. Wanting is not good enough. We have to take action and we can do that.

There are many examples of inequalities. I gave some financial examples earlier where once again those who advocate on behalf of the interests of women received some government funding but nothing compared to the priorities in other areas.

It is absolutely essential that we commit resources and have resources available for these services. Accessibility is a problem that many immigrant women have, either accessibility to English as a second language or to support services. The responsibility we as a society have for each and every person must be taken seriously by the House.

The previous Reform speaker indicated that we could do this if we were a bit more charitable and had a few more bake sales I guess. I am not against it. In fact, almost all services for women do private fund raising. I have been involved in many of those efforts as I am sure other members have been.

The reality is that they need a certain amount of core funding to be able to continue their work. We cannot turn our backs and pretend we can go back to days of charity. There has been some progress and greater awareness since this day was brought into law.

It is absolutely essential that we recommit to specific actions to reduce violence against women, to eliminate violence against women. Zero tolerance must be the objective in everything we

do. I do not believe it is simply what governments do, what this Parliament does. It is what we do as a society.

There are many specific actions we can take if we want to, it is clearly a matter of will. I would like to end by quoting a comment that appeared recently in an editorial in the Whitehorse *Star* which sums up this issue very well:

> A government's primary mandate is to serve its electors. It's difficult to pinpoint a more urgent role than helping to preserve these people's physical well–being from domestic criminals—if not their very lives.

I urge all members of the House to seriously address this issue in their constituencies and to support legislation which will help with the support services and ensure that we commit ourselves to zero tolerance on violence against women.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, I have a short question. I was interested in listening to the leader of the New Democratic Party speak on violence against women. She did not seem to be too supportive or think that the federal government should be involved more in the charitable aspect of dealing with the results of violence toward women, rather than dealing with the causes of the problem.

I know she would probably support measures regarding education that would relieve some of the problems about violence toward women. She did not really talk about what her party's position is on stricter sentencing and reform of the justice system so that violent acts are adequately punished. What is her position on a victim's rights versus a criminal's rights.

I would appreciate knowing what her party's position is on those very important matters that would prevent and discourage violence not only against women but against all Canadians.

• (1305)

Ms. McLaughlin: Madam Speaker, I would be happy to answer those questions. I believe I addressed at some length some of the criminal justice issues, both regarding gun control and the fact that people who have committed violent crimes should not have access to guns.

Second, it is very important that the government act very swiftly to change the Criminal Code by creating the new offence of criminal intoxication.

Third, obviously part of any kind of program of violence against women must deal seriously with those who commit that offence.

As far as victims' rights, that is exactly the purpose of my talk today. Victims have a right to have support, to have counselling, not to be a victim in the first place. We should put in adequate preventive measures and adequate resources both in rural and urban areas to say to women that it is not acceptable that they live in a violent situation. We have options.

There are people who can help women as advocates. There are transition homes. There are support services. The choice will remain with women because we have to respect the choices that they make. But in doing so, we want to prevent victims of violence. We can do it to a large extent with a number of the measures that I mentioned today.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Madam Speaker, I would like to ask the hon. member for Yukon how she feels about violence.

As kids we were always taught at home when we went to get the cattle out of the pasture not to wear red because it could infuriate the bull in the pasture.

I have seen so much violence in my own community. When you look into some of these cases there is always stress which had developed by actions on both sides.

How could we diffuse this? What could we do to prevent this in a number of cases? It is a matter of prevention, not putting on the red shirt when we know there is already a problem.

That is the big answer to our problems. Somehow or other we must discolour that red shirt when there are problems in the family or problems between husband and wife.

Ms. McLaughlin: Madam Speaker, I hope, and I will give the hon. member the benefit of the doubt, that he is not suggesting that women bring violence against themselves by their own actions.

I will take rather that the hon. member's comments are asking what we can do to assist those families who are having marital and family problems. I suggest we can do a fair number of things.

First, we can put in place economic measures that ensure that we decrease the amount of unemployment. Every study indicates that poverty and unemployment are contributors to violence in our society.

Second, it is absolutely essential that governments at all levels take responsibility for the safety of their citizens both in enforcing those measures already in place in the criminal justice system to deal with those who commit violent offences and to ensure that there is a core group of services available.

One can look for example at what some police forces have done across the country with their family violence prevention units. London, Ontario comes to mind. It has a very progressive program of going to a home where a call has been made, making sure that a social worker is present, that there is an option for ongoing counselling. It is not just a matter of one measure, it is a matter of several.

Finally, the attitude that our society has toward women is key to this. Denigration of women in any field will set the climate for the acceptance of violence. It is incumbent on each of us to ensure that the respect and dignity of both men and women is always in the forefront. In our position as members of Parliament we have a responsibility to ensure equal opportunities for women in every sphere of life.

• (1310)

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Madam Speaker, today we commemorate the sad anniversary of the massacre at l'École polytechnique in which 14 young women died. Despite the horror and revulsion which we feel about it, this act is only a pale reflection of the violence women suffer. We should denounce this violence not only today but every day of the year.

What Marc Lépine did makes us all think, but it is just the tip of the iceberg. Violence against women is rarely so spectacular, fortunately. This violence takes many forms, some more pernicious than others. Women are victims of violence 365 days a year. Violence is insidious and affects every aspect of a woman's life.

The Canadian Advisory Council on the Status of Women defined violence against women as a complex problem which includes physical, sexual, psychological and economic violence against women and said that this violence depends on structures, values and social, economic and political measures that muzzle women in our society, promote discrimination on the basis of sex and maintain the inequality of women.

Violence is the weapon of choice for those who want to subdue and dominate. Men learned that a long time ago and use violence. Even today, we women are kept out and subjugated by an archaic macho attitude.

Our Catholic Church will not let us be priests but suggests that we do volunteer work. This is another way of telling us women that we are not educated, cultivated or even pious enough to have access to the upper echelons of a Church which is meant to be a reflection of society. From deacon to pope, the positions are all held by men who are often pretentious and full of themselves. Their authority over the faithful in general and women in particular is a good example of the masculine philosophy based on control and power. Do you really think that the Catholic Church would be in worse shape than it is now if the pope was a woman?

Unfortunately, the Church is not the only institution which treats women like that. Let us take a look in this House. In Canada, women account for 52 per cent of the population. However, if you count the number of women in the House of Commons, you will find 53 out of 295 MPs. Our great Parliament is very much a male stronghold. Over half of the Canadian population is represented here by barely one sixth of the total number of MPs.

Therefore, it comes as no surprise that the government takes so long to table legislation to ensure the safety and well–being of women. A Parliament made up of men proposes and passes male–oriented legislation, with the result that we are still waiting for the Minister of Justice to table concrete legislation on firearms. There is no need to rush: After all, for every man who dies during a spousal argument, six women are killed. I am convinced that if the figures were reversed, the process would have been speeded up.

Do you not agree that, if the Minister of Justice were a woman, we would have a bill to amend the Criminal Code and strictly prohibit the mutilation of female genitals? But the victims are women and the Minister of Justice does not even intend to amend the Criminal Code. Not only did the justice minister put on the back burner the idea of registering all firearms, he also refuses to table a bill to protect the innocent victims of a cruel and barbaric practice.

The Minister of Justice promised to do everything in his power to end such criminal activities. Either the minister only has the power to make promises, or else protecting young girls from mutilation is not one of his priorities.

• (1315)

The mutilation of female genitals is a form of violence against girls and violates their basic right to physical integrity. Will we have to wait until a similar practice is introduced that would mutilate male genitals for the government to make up its mind to act? If 52 per cent of the members of this House were women, I am sure these problems would already have been dealt with and legislation would already have been introduced, passed and implemented.

Last week, the Minister of Justice missed an excellent opportunity to show everyone he was concerned about the security of wives. It seems gun control is not the answer, because instead of tabling a bill, as he promised, he made a ministerial statement full of good intentions. Meanwhile, every six days, on average, a woman is shot and killed.

I can hear people saying that the lack of women in the House is our own fault, because we choose not to run for election. Nothing could be further from the truth. Some obtuse male chauvinists fail to understand what this means for a woman. These guardians of the male mystique cannot imagine that someone would hate the sparring at all–candidates meetings, that woman are fundamentally different in the way they live, the way they are educated and trained and in the way they act.

My answer to them is that I still hope that some day, this House will be truly representative of the population and that women will fill 52 per cent of the seats, in other words, have the representation they deserve.

[*English*]

Ms. Marlene Catterall (Ottawa West, Lib.): Madam Speaker, as we rise to speak in the House today certainly our first thoughts are for the families who five years later still live with the pain of losing their children, more specifically losing their daughters.

What stunned the whole country five years ago on December 6 was not only that 14 young people just beginning their lives lost their lives, but that women were specifically singled out to die on that day. Men were moved out of the way so that the women alone could be shot. As a mother of two daughters in that age group I can only imagine the pain those families still feel.

Today I want to talk about how we as women live in society and why it is so important that all people particularly men understand that. I want to talk about the feelings of powerlessness that are ours from the time we become conscious of ourselves as human beings. It is vital that everyone understand that women live their lives differently. That difference is vitally important to society. It is vitally important to us as women that decisions not be made only on the basis of who is strongest and most powerful.

I realize it is very difficult for many men to understand what this means to women. Most men have grown up knowing from the time they were little boys that they would be big and strong, that they would have important jobs. That is not the way little girls grow up.

Most women have grown up knowing from the time they were little girls of less than two that they would always be smaller than their male counterparts, they would always be weaker, would never be as important, would never account for quite as much in society. They would never have as much money and for many they would never have money of their own. Their job would be to clean up after everybody else. They would always be good little girls because if they were not daddy might get cross, or mommy might get cross because daddy did not like it.

• (1320)

This is why as we grow into women every day and every minute of our lives is regulated by the fact that we are women. We decide differently than men where it is safe to go at what time of day, whether we can go alone or whether we need to find somebody to go with us.

I doubt there is a man in this House who approaches his car in the parking lot at night with the same fear a woman does. It is important for us to understand this is why it is so important to women to have a different kind of society. That is why we need to find measures to equalize our treatment.

When I was teaching my 17–year old daughter to drive I taught her to lock the doors always when she was alone in the car, even in broad daylight, and never to get into a car at night without checking the back seat to ensure nobody was hiding there. What I was doing was teaching her fear, the same fear that I and every woman live with daily. When I taught my son to drive a year later it never even occurred to me to give him the same lessons because he did not need them.

This feeling of being powerless, of always having to be just a little bit afraid, is partly what leads to the kinds of violence we have become so much aware of. It is what leads to the exploitation of women in a number of different ways around the world. It is what leads to the exploitation and abuse of power over women as a universal phenomenon. It is why women tend not to report crimes against themselves as easily or as readily. They know that doing so immediately places them in a situation where they again are powerless. Others are in control and they can be hurt more.

The motion today is so important. It is an expression of this House that this matters to us as parliamentarians, as the leaders of our communities and our country. It reinforces our hope and determination to change it.

I recall a report a couple of years back on why women were not in engineering. I happen to be married to an engineer, I have a son who is an engineer, and I have a son–in–law who is an engineer so I know a fair bit about engineers and what great people they can be.

I also know a fair bit about engineering faculties at universities. There is a whole culture there that is ugly and offensive to the very nature of women. It is so totally a male macho culture that no woman is comfortable in it. There are things like the fortunately now gone greased pole at Queen's. Tell me what woman wants to be an engineer when part of the initiation process is to expose herself to filth and I mean that in the most vile terms, believe me.

Why are there not more women in politics? We will not have the kinds of laws that make it easier for women to get justice until we have more women writing laws. It is not that I would write better laws than any of my male colleagues in the House; it is just that I bring a different perspective to it, a perspective I think is necessary to complete our humanity when we create laws in this House and decide how to allocate our resources.

Bertha Wilson said it best when she talked about the difference between how men and women deal with laws and why the justice system is anathema to women. The whole idea of winning and losing that seems so fundamental to our justice system also seems to be fundamentally a male concept. It is a concept promoted by those who are bigger and more powerful, who always have an equal chance of winning. It is not a concept that women are comfortable with.

I am being very open and honest today about my feelings because this motion is also about feelings. It is about pointing out that women who have been violated can turn to the justice

system that is supposed to be there to protect all of us. It is about having workplaces in which women are free from harassment.

• (1325)

I want to shock the House a little today. I want to read from a harassment case that has recently come to my attention. This is a young woman, 21 years old, a university student employed in a summer job. I have met with this young woman and believe me, any of us would be proud to have her as our daughter. The following is what happened in her first four days of employment in an office in this city:

> He sexually harassed me by hovering over me and by touching me in an inappropriate manner. He often touched my shoulders and on one occasion ran his fingers across my neck.

This is a mature married man.

> He often called me "hon" and "love". On one occasion he announced to the office that his wife was out of town for the weekend and suggested I babysit him at his home. On one occasion while helping me with a file that I had been organizing on my lap he took the opportunity to rub my upper thighs. When he asked if I understood what he had just done I said "yes", to which he added: "That is too bad. I was enjoying playing with your legs".
>
> On one occasion he said: "The problem with kids today is that mothers enter the workforce instead of staying at home to raise them properly".
>
> He told the following joke: What is the difference between a lawyer and a woman? To win a case a lawyer puts on his robe while a woman takes hers off.
>
> He sometimes cornered me and used his larger size to intimidate me. He came up behind me, swivelled my chair around, placed one hand on my desk, the other on my chair, so that I was trapped between his arms and asked me what was wrong.
>
> I saw him slap a female coworker's behind. I heard him discuss male colleagues getting lucky.

This is a 21–year old woman working in a government office enduring this. She was discouraged from making an official complaint. A year later she is still suffering from the emotional repercussions. She will not be told what action was taken against that harasser because his privacy is being protected. Yet we know that for the victim to know what action was taken is a critical part of the healing process.

I want to speak a bit about a piece of legislation that is currently before the House. Bill C–41 has had a lot of discussion. In my view it has had a lot of discussion on the wrong issues. Bill C–41 talks about making crimes committed out of hate especially heinous and subject to more strict penalties.

Bill C–41 says that if you commit a crime of violence against a woman because she is a woman out of hate, you will be punished more severely than if you commit the same crime for purposes of theft, whatever. I think that is good law because we cannot say that it is okay to hate people because they are women, because they are black, because they are Sikhs, because they are gay. Bill C–41 protects children against abuse by providing tougher penalties for people in authority who sexually or physically abuse children.

I want to support a bill that does that and I will. I want to challenge anybody who refuses to support a bill that provides that kind of protection against hate and violence in our society.

There are people who would pretend that violence is a society–wide issue and it is, but it is a different issue for women. It is a different issue for women because women have become the target of violence. I challenge any woman inside or outside this House to not remember even as a little girl when some man would rub up too closely against her deliberately on a street corner or a bus, or when she has not been accosted by some vile and foul sexual suggestions on the street.

• (1330)

I say to the men in this House that I do not believe they understand. I ask them to try to understand the gut wrenching caring that that kind of an incident causes. I do not think they understand how I feel when one member of Parliament stands in this House and calls a woman member of Parliament a slut. I do not think they understand how in the last week our concerns about violence have been belittled in this House by comments from the other side. I do not think they understand. I ask them to please do their best to try. It is one more way of saying to me and saying to women in this country: "You don't count as much. You don't matter as much".

We also have to talk about the economic equality of women. It very much is an issue of equality. As long as we refuse to give women the same opportunities to be economically prosperous based on their own abilities, talents and application of their energies, women will not be equal politically, equal socially and they will not be equal before our justice system.

I totally reject the arguments put forward earlier this morning by the member for Beaver River who said that violence against women is no different than violence against men. It is. As long as we refuse to face that, we refuse to face that women are killed by men who are close to them, who are their husbands, their lovers, their partners, because of the power relationship. Until we accept that we are not going to understand the problem. If you do not understand the problem you cannot solve it.

It is fine to say these issues affect all members of our society, as the member for Beaver River did this morning, but that is turning a blind eye to the specific and serious problems that this motion before the House today wishes to address and that is very specifically the kind of violence that is directed against women because they are women.

Yes, we have grandparents and seniors who are verbally and physically abused. We have children who are physically abused. That is a reflection of a society value that says: "Power, might and strength are the most important values and if you have those you have the right to abuse others". Until we recognize that that power relationship is why so many women die as a result of violent incidents, we are not going to solve the problem. We are not going to have a better society.

I thank the House for its attention today. I thank all those who gave unanimous consent to the debating of this motion. I regret in a sense that the motion had to be watered down to deal more generally with violence in society as opposed to only violence against women on this particular day just to ensure that unanimous consent would be given.

This is an important issue. It is an issue on which our government is working. As the Minister of Justice said very recently: "We have not done enough but we will do more". I believe this kind of debate strengthens our courage and strengthens our resolve to do more and to leave to our children and grandchildren a world and a country in which all are equally valuable. I say that on behalf of both the granddaughters and the grandsons I hope to have some day.

• (1335)

I think men too benefit from a society in which power is not the ruling dictate, in which equality and respect for all human beings regardless of whether they are men or women is a hallmark of this society, perhaps as in no other in the world, and that is a record that I would like to see this nation achieve.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I listened with great interest to the remarks of the hon. member who just spoke. I have three girls myself. They are still young, of course, but they will grow up. I realize that Quebec has gone much further than the federal government with respect to equality between spouses and equality for women.

In 1990, for example, Quebec passed an act to encourage economic equality between spouses, so that when they divorce, or separate or one of them dies, the property acquired by the couple is divided pretty fairly between the two former spouses, the man and the woman. Canada lags far behind Quebec and several other provinces on this issue of recognizing spouses as equals.

I remain somewhat sceptical just the same. In a justified and justifiable outburst, the previous speaker mentioned women being in danger on our streets and everywhere, women being done an injustice.

I have a problem reconciling this with the fact that the hon. member herself and her colleagues recently rose in this place and brought the house down when the Minister of Human Resources Development tabled his famous bill amending the Unemployment Insurance Act. The policy statement says that from now on, entitlement to UI benefits in Canada will be based on family income. Unfortunately—and the Bloc Quebecois and I did not make this decision—women are hit hardest by such a measure. If the husband's annual income is, say, $55,000 and his wife earns $22,000, $25,000 or $28,000 per year, and becomes unemployed, she will not be entitled to UI benefits because her husband makes good money.

The hon. member opposite rose in this House to applaud this measure at the time it was introduced by the Minister of Human Resources Development. Personally, I find it is all too easy to act offended, to rise and say that the right hand does not know what the left one is doing or vice versa. Logic should prevail and one should rise once in a while, not only on days when we debate the status of women, violence against women or other such issues, and tell the minister that he is off the beam with his procedure.

It seems to me that the story changes depending on the circumstances. On days when we are dealing with women's issues, violence against women or matters affecting women directly or indirectly, they come here and denounce injustices. I agree there are some, but in the normal course of day to day administration, knowing that federal legislation concerning women is 30 years behind provincial legislation, I think that more could be done, besides such statements, to remedy the situation.

This concerns men and women alike, including fathers like me. I have three young daughters who will grow up to be women living in this society and I am not so proud of the legacy we are leaving them. In Quebec, there is an ad on television that says: "I myself am not affected by violence. I do not go out at night; I stay home. I do not talk to strangers; I stay home. No, I cannot say that I am affected by violence".

That is similar to the situation faced by women in Canada. My friend, the hon. member for Frontenac, said earlier that while walking in a somewhat disreputable neighbourhood in Sherbrooke, his daughter was asked by police officers: "What are you doing walking at night in a neighbourhood where you should not be?"

• (1340)

This does not happen only in Sherbrooke. It happens in Halifax, Edmonton, Calgary, and many other places. What are we doing about this? What steps did the Liberals take to address the situation? They gave us a nice gun–control policy to be implemented in the year 2003. It took Marc Lépine 20 minutes

to go on a shooting spree at the École Polytechnique five years ago. How many more shooting sprees can we expect before 2003? When all you need is 20 minutes, it is anybody's guess.

I think that the government must translate words into action, show some backbone and try to do something so that women will feel after today's session that something was accomplished in the House of Commons today and that there is a political will to achieve justice for women. But no. All members of this House make big speeches but when the time comes to support or reject motions that go against women's interests, the party line comes before anything else, including nice speeches like the one that the hon. member just gave us.

I strongly disagree, because I do not want to see my three young daughters in 10, 12, 15 or 20 years treated even worse than their mother is being treated at this time.

Ms. Catterall: Mr. Speaker, frankly, today I do not feel like debating who does more for women—the provinces or the federal government. I think it is clear that all parties must do much more, especially for family welfare. Clearly, throughout Canada, a family's welfare depends on the woman and the man in the couple.

As for social welfare, yes, there is lots of room for improvement. I want to say that in Quebec, for example, the family has to take responsibility before someone can get welfare. That is not the case throughout Canada.

I really think, as my minister and I admitted, that we are not doing enough to improve the status of women and especially the conditions that cause violence against women. More must be done at all levels in every country in the world. I am convinced that with more women in Parliament, on both sides of the House, it will be easier to do it more quickly.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I listened very carefully to what the hon. member said, and I would like to give her the assurance that many men have thought and are thinking and learning about what is happening in society today.

Like the previous speaker, I also have children, two girls and one boy, and I want them to have the same opportunities in the years to come. That is why I think the government must send the right signals. You say you do not feel like having a debate on this today. I realize that the issue of violence against women is a universal one, but at the same time we are here to ensure that the appropriate measures are taken.

Without in any way blaming the government, we can at least consider what signals the government could perhaps send tomorrow morning. For instance, in connection with social program reform, could it suggest ways to fight poverty other than targeting poor parents and poor children, which does not provide any help for the middle class? There are all kinds of family support programs, but are they adequate?

• (1345)

And could the present climate of violence in our society be due to the fact that for the past 20 or 25 years, we have failed to provide equal opportunities for everyone? This is true in the case of women, the disabled and several other categories. And should the government not make this the spearhead of its action to eliminate child poverty by the year 2000, for instance? If it does, it may succeed in considerably reducing violence against women.

Ms. Catterall: Mr. Speaker, our objective is to improve the economic situation of women and children and, more specifically, to eliminate child poverty. However, to eliminate child poverty, we have to eliminate the mother's poverty first. That is one of the things we are trying to achieve through our social program reform, by putting more emphasis on training and providing more support for women with children and families with young children.

These are some of the things I personally and many of my colleagues have said to the Minister of Human Resources Development. Women and children should be—

The Speaker: I am sorry to interrupt the hon. member, but her time has expired.

Mrs. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, before expressing my views on this issue, I want to say that I regret that the Official Opposition was only informed yesterday of the motion tabled this morning in the House. I do hope that this late notice does not reflect a lack of concern by our society on the issue of violence against women.

It is with sadness, dismay and pain that I participate in this debate to commemorate the tragedy which occurred on December 6, 1989.

In Quebec, as well as in Canada, that tragedy put the issue of violence against women in the limelight. This episode, more than any other, forced our society to stop and think. Experts in every possible field analyzed the whys and wherefores of such horror. However, the answers are neither simple nor clear. Our society is suffering, and the result is that women and children are often the victims of violence triggered by this unhappiness and malaise.

More often than not, violence is insidious, sneaky and imperceptible from the outside. At other times however, it can be visible, unbearable, terrifying and very concrete.

Statistical data cannot accurately measure psychological violence. It is a form of communication between the tormentor and the victim which undermines the soul and kills self-esteem. In fact, even though current data on physical violence is overwhelming, it only represents the tip of the iceberg.

Just recently, in 1993, Statistics Canada gathered the following information: One woman out of two was a victim of at least

one violent act since the age of 16; one in ten who lived with a spouse feared, at one time or another, for her life.

Other statistics released in 1991 by the Canadian Advisory Council on the Status of Women provide a clear and hard picture of the plight of those women who live in poverty.

• (1350)

In 1989, eight out of every ten women living on reserves in Ontario were victims of violence. In 1989, eight out of ten women inmates of federal penitentiaries had been abused before their incarceration. In 1989, four out of ten women with disabilities had been abused or raped. While weakness should spontaneously generate an attitude of protection and help, we observe paradoxical behaviour. The weakest are at the highest risk of violent treatment. How can this troubling reality be explained?

In a document on spousal violence and its effects on children, Beth Allen bore out the theory that children from violent homes are at greater risk of committing, or being the victims of acts of violence. It is as if witnessing violent behaviour causes violence to be incorporated in the behaviour pattern of the child who witnesses such violence.

While some may learn violent behaviour at home, the role played by mass media in trivializing this violence cannot be denied. Even the most horrible things end up losing any meaning when you are exposed to them every day. You become indifferent to the horror. Parliament has a major responsibility in this regard. Today, on the eve of the third millennium, do victims of violence speak more freely of the abuse they suffer?

It is currently estimated that one out of every four women who fall victim to violence will report these acts of violence to the police. Other figures are much more conservative, as they indicate that one woman in ten would report it. Perhaps these figures are more accurate. At any rate, fear and silence go hand in hand. Is this society prepared to let battered women be heard? The question has been put, but I am afraid that the answer is no.

In 1991, 270 women were murdered in Canada, a 33 per cent increase over 1988; 85 of these women were shot dead. Thirty per cent of women slain in Canada and Quebec in 1991 were slain with firearms which were generally used against them by people they knew. While the women of Quebec and Canada were confidently expecting a fair and reasonable gun control bill to be tabled, the Minister of Justice announced in a ministerial statement made on November 30, that we will have to wait until 1998 for the registration of firearms to start and until 2003 for it to be completed.

Mr. Speaker, I put the question to you: can this society afford to wait? Do these women have the time to wait? I am sorry that this government is not prepared to let women victims of violence be heard.

Let me tell you about another form of violence. I will do so in English. It should be painfully slow, as I am already a slow reader in French.

[*English*]

Generally, when we speak of violence against women we focus on physical and psychological damage inflicted by one individual against another. However, what of the more insidious ways in which women are subjugated? The wounds inflicted by society and borne silently can be felt as keenly as physical blows.

• (1355)

Allow me to illustrate my point with an example. There is a new medical industry in Canada growing and developing with a life of its own. A full year after the final report of the royal commission on new reproductive technologies, the federal government has not introduced a single measure to regulate the use or further development of these new technologies. As a result, we see women at Toronto's IVF Canada clinic selling their eggs to pay for expensive and unproven fertility treatments. We see women desperate for money renting out their wombs in surrogacy arrangements.

This is exploitation in its worst form because the federal government, I regret sincerely, turns a blind eye to it. Just as violence against women is the abuse of physical or psychological power, the exploitation of women's reproductive capabilities is the abuse of economic and political power. By not acting swiftly to regulate this industry and to put a halt to the most exploitive and ethically abhorrent new reproductive technologies, the federal government is demonstrating complacency in the form of violence against women. This lack of action can no longer be tolerated by the women of Quebec and Canada.

I will continue later.

[*Translation*]

The Speaker: I am sorry to interrupt, but the member will have the floor again around 3 p.m.

It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

HUMAN RIGHTS

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, on December 12, 1948 the United Nations Assembly adopted the Universal Declaration of Human Rights. Since then the world

has witnessed great changes in the global order and an abundance of human suffering still exists.

Canada, a country composed of many cultures, has long been respected for its commitment to human rights. We must continue to use our influence to encourage other governments around the world to heighten their human rights' standards.

I am pleased that this government is addressing the issue of human rights at home by introducing programs to improve the treatment of people who suffer discrimination because of their race, sexual orientation or because of a physical or mental disability. Indeed, the increase in both hate crimes and hate propaganda is a disturbing trend.

As we recognize this week Human Rights Day we must continue to meet the many human rights challenges that we face in both the domestic and international community.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, beyond polls, yesterday, women's groups clearly expressed their opposition to the federal government's social program reform. Calling the human resources development minister's proposals discriminatory and regressive, the National Action Committee on the Status of Women firmly rejected the provisions to cut women's UI benefits.

Under these provisions, women's access to UI would be determined by spousal income, although women would, of course, continue to pay premiums. These measures are a direct attack on the financial independence that women have worked so hard to achieve in the last 30 years.

By completely disregarding the issue of fairness raised by his reform, the Minister of Human Resources Development is simply implementing a series of blind cuts at the expense of women, among others, dictated by his fight against the federal government's deficit.

* * *

[*English*]

HUMAN RIGHTS

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, this morning our leader, the hon. member for Calgary Southwest, announced that as a caucus we are opposed to the inclusion of sexual orientation in the Canadian Human Rights Act on legal and human rights grounds.

He also made it clear that the Reform Party was against the recognition of same sex spouses and the extension of spousal benefits to same sex relationships as per the resolution adopted at our October 1994 party assembly.

Canadians across the country are concerned over the government's intentions to include sexual orientation in both the Criminal Code and the Canadian Human Rights Act.

The present course of action taken by the Liberals is not spelled out in their red book. It is presumptuous of them to say they have the mandate to proceed.

Canadians are further exasperated when they realize that no free vote will be held on the issue so that their concerns cannot be reflected democratically.

Our party is listening to Canadians in reflecting their concerns. Why are the Liberals afraid to do the same? Perhaps it is because their mandate is not based on listening to Canadians.

* * *

[*Translation*]

JOB FINDING CLUBS

Mr. Gilles Bernier (Beauce, Ind.): Mr. Speaker, after 10 years of existence, the services offered by Job Finding Clubs have been modified following a change in the rules of the game by Human Resources Development Canada. The department requires that a large percentage of training referrals be UI recipients, thus closing the door to those left out of the statistics, who were the main users of services offered by Job Finding Clubs.

The goal is, of course, commendable: returning unemployed workers to the labour force as quickly as possible. But what are we doing for young people just out of school and for people without income, who would greatly benefit from job finding sessions but whom the government is now trying to exclude on the pretext that they are not counted in the official statistics? They are human beings with an urgent need to find work, and I think that the department should relax its rules.

* * *

[*English*]

VIOLENCE AGAINST WOMEN

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, today many men and women across the land are wearing white ribbons to remind us that five years ago on this day 40 young women were tragically gunned down by a man at Montreal's l'École polytechnique, simply because they were women.

Sadly today little has changed. Women around the world still live in fear of violence by the hands of men they know and of men they do not know.

Much has been done to raise awareness of violence against women by Health Canada and other government and community agencies. The justice minister has, with his recent gun control proposals, moved one small step closer to protecting Canadian women but it is not enough.

It will never be enough until we women can walk the streets and be safe in our homes without fear. Yet there is still considerable denial by men of the cause and effect of this violence. Today the YMCA rose button and white ribbon campaign make a statement of remembrance and commitment.

I ask all men who love a daughter, mother, wife, partner or friend, to wear one of these symbols in solidarity with us. We need their support. The violence will not end unless they rise now and move positively to help us stop it.

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VIOLENCE AGAINST WOMEN

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, today, December 6, is Canada's national day of remembrance and action on violence against women.

We mark this day to remember the December 6, 1989 incident in which 14 young women were tragically killed at l'École polytechnique de Montreal.

[*Translation*]

Violence against women is a sad reality that we must change. However, we cannot change it without the combined efforts of everyone in our society. Statistics Canada recently reported that 51 per cent of women in Canada had been assaulted at least once in their adult life. The problem is very serious.

[*English*]

We have to remember the events of December 6, 1989 and ensure that this kind of tragedy never happens again. We should strive to create a Canada in which violence against women and against all individuals will not be tolerated.

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VIOLENCE AGAINST WOMEN

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, today is the national day of remembrance and action to end violence against women.

We remember the 14 women who lost their lives at l'École polytechnique de Montreal. We remember all Canadian women whose lives were ended by senseless acts of violence, who were taken away from family and friends.

This year 15 women lost their lives to violence in my home province of Manitoba. These women are more than statistics; they are mothers, daughters, sisters, friends and neighbours.

As a nation we mourn their loss and the tomorrows they will never see. We as legislators mourn but remember that we also must act today to educate, to support and to protect. We must make a commitment to the women of Canada, to all Canadians and to ourselves to stop violence.

* * *

• (1405)

[*Translation*]

VIOLENCE AGAINST WOMEN

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, five years ago, the murder of 14 young women at l'École polytechnique in Montreal moved and troubled all Quebecers and Canadians. Physical, psychological and sexual violence in many homes, sexual harassment in the work place, incest and genital mutilation are only some manifestations of this violence that millions of women experience daily here and in other parts of the world.

To end this cycle of despair, we must use all the available legal and financial resources, promoting awareness campaigns and education in the broadest sense.

This sad anniversary is an invitation to all governments to step up their efforts so that the events of December 6, 1989 will never happen again.

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HIBERNIA PROJECT

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I wish to deplore the fact that my native province, Saskatchewan, is not receiving its fair share of work on the Hibernia project.

With almost 3.5 per cent of Canada's population, we did not even get a shipbuilding contract. Our busy shipyards on the shore of Lake Wascana in Regina are ready to contribute. After generations of colonial exploitation by Ontario and Quebec, it is high time that they gave us our share of the gravy. We demand fairness. We must get down to work.

* * *

[*English*]

BANKS

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, when inflation is high bank profits are high. When inflation is low bank profits are high. When interest rates are low bank profits are high. When interest rates are high bank profits are high. Banks made over $4 billion in profits last year alone. No matter what the economy does banks are consistent winners.

The finance minister is looking for new sources of revenue to pay down the deficit. Why is he not doing the obvious and asking banks to pay their fair share of the deficit? Why does he continue to burden taxpayers and small business owners with high taxes and reduced services? Why are the banks getting a free ride? Why is he asking Canadians to continue to tighten their belts with social program cutbacks while banks pay no taxes on their profits? Is it because the banks gave over $700,000 to the Liberal Party's election fund last year?

The government must investigate the banks' profits to ensure consumers and small businesses are not being gouged and to ensure banks pay their fair share of taxes.

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VIOLENCE AGAINST WOMEN

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I just returned from a ceremony at the National Research Council of Canada to remember the young women who were murdered at l'École polytechnique de Montréal five years ago.

This ceremony was particularly moving because these young women were in the forefront of women in science and technology. They were students at one of our leading national establishments of science and technology, l'École polytechnique de Montréal.

Some of them were co–op students at the National Research Council that was remembering them this lunch hour.

Let us remember the young women of Montreal and work to remove all the barriers faced by young women in the future, especially those women in science, technology and engineering.

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[*Translation*]

TRAGEDY AT L'ÉCOLE POLYTECHNIQUE

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, December 6, 1989, began like any other day, but by the time it ended, 14 female students at l'École polytechnique in Montreal had been killed by a man who could not accept women invading what he considered to be an exclusive male preserve.

[*English*]

Fourteen young lives were sacrificed, leaving 14 families, many friends and all Canadians in dismay. Violence against women is the most despicable act society has to face because it is an act of weakness.

In Vancouver a women's monument will be inaugurated in my riding of Vancouver East in the summer of 1995. "Marker of Change" by Beth Albert is comprised of 14 benches of pink Quebec granite. Each bench will bear the name of one of the women murdered at l'École polytechnique.

[*Translation*]

This monument will be an official declaration that women's lives are precious and that violence cannot be forgiven.

Today I would like to assure the 14 families and the many friends of the women killed on December 6, 1989 that we mourn their loss and that, like them, we will not forget.

* * *

• (1410)

[*English*]

VIOLENCE AGAINST WOMEN

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, today is the national day of remembrance and action to end violence against women.

It was five years ago today that 14 young women tragically lost their lives at l'École polytechnique de Montreal. Just as disturbing is that 51 per cent of all Canadian women have experienced at least one incident of violence by a man in their adult lives.

It is important that all Canadians reflect on what we can do to eliminate violence against women in our society. We can all make a difference in committing to a principle of zero tolerance. Whether through the support for services to victims, working with local transition houses, shelters, rape crisis centres or by raising awareness within the community we can send a message that such violence is not acceptable.

Violence against women is a reality of our society that must be changed. Let us all work together in the House to realize that change.

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[*Translation*]

REFERENDUM ON SOVEREIGNTY

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, this morning the Quebec Premier, Mr. Jacques Parizeau, made public the draft bill and the consultation process which will lead to the referendum on sovereignty.

What distinguishes this process is its clarity and openness. Indeed, 15 regional commissions will be set up to hold extensive consultations on Quebec's political and constitutional future.

In order to ensure that the debate is as extensive as possible, elected representatives from all political affiliations, as well as non–elected people, will sit on these commissions.

This approach will also ensure that the referendum issue is not debated only by political parties but rather by all Quebecers.

In conclusion, we hope that the Quebec members of the Liberal Party of Canada will respect this process and that they will accept the invitation of the Quebec government to participate in the consultation exercise.

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[*English*]

VIOLENCE AGAINST WOMEN

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, today marks the fifth anniversary of the terrible massacre of 14 young women at l'École polytechnique de Montreal. Once again the families and friends of those who were murdered will suffer the pain and anguish of that tragic day.

Our hearts go out to them as we here and all Canadians pause to remember those loved ones who were so cruelly and senselessly taken from them. Although not part of this tragedy, in far too many cases the use of alcohol fuels the drive to abuse or kill.

Recently the abuse of alcohol has unfortunately been allowed as an excuse for violent action against women. We in this place must ensure that the young women we remember today have not died in vain. Something must be done and done quickly to reverse the message that violence will be tolerated if intoxicated.

Today let all members rededicate themselves to removing violence from our society in whatever form it shows its ugly face.

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[*Translation*]

TRAGEDY AT L'ÉCOLE POLYTECHNIQUE

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, today is a day to remember and mourn the senseless killing, by a man, of 14 young women at l'École polytechnique. It is also a day to remember all the men, women and children who tragically lost their lives at the hands of armed people.

As parliamentarians, the memory of these innocent women reminds us that we must do everything possible to ensure that such violence does not happen again.

The new regulations on firearms tabled by the Minister of Justice are in response to the need to implement more stringent monitoring measures.

[*English*]

My sincere condolences to the families of the 14 Montrealers. I wish to let them know that their memory serves as a reminder to all of us that the status quo is no longer acceptable and that the government, through the Minister of Justice, has acted to protect the safety of all Canadians.

[*Translation*]

TRAGEDY AT L'ÉCOLE POLYTECHNIQUE

Mr. David Berger (Saint–Henri—Westmount, Lib.): Mr. Speaker, five years ago today, Canadians were shocked and horrified to learn that 14 young women had been killed at l'École polytechnique, in Montreal.

Last week, the Minister of Justice announced a series of proposals for better control of firearms. These proposals were well received by the families of the victims, which leads me to believe that this is a step in the right direction.

• (1415)

Today, let us remember the victims. I ask members of this House and all Canadians to remember Hélène Colgan, Annie St–Arneault, Maryse Leclair, Geneviève Bergeron, Annie Turcotte, Maryse Laganière, Barbara–Maria Klucznick Widajewicz, Anne–Marie Lemay, Michèle Richard, Sonia Pelletier, Nathalie Croteau, Maud Haviernick, Barbara Daigneault and Anne–Marie Edward.

ORAL QUESTION PERIOD

[*Translation*]

GUN CONTROL

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, five years ago today, fourteen young women lost their lives at l'École polytechnique in Montreal, slain by a murderer who bore a grudge against women. This tragic occurrence sparked a strong movement in favour of increased gun controls as well as an awareness of the pervasive violence against women in our society.

Would the Minister of Justice agree that five years later, the same type of weapon used by the murderer at the polytechnique can still be easily obtained on the market, and that being said, why is he content with a mere action plan instead of tabling legislation with teeth to regulate the sale and circulation of firearms, as he and the Prime Minister promised to do?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, last week in the House, we announced what we had decided to do in connection with this government's policy on firearms. We have decided, for instance, to table a bill next February here in the House, to amend the existing legislation. We have three objectives. First, we want to make it clear that Canada does not want the gun culture that exists in the United States and that we need stricter controls on firearms for society in general. Second, we want to make changes in the Criminal Code to ensure that people who use firearms to commit crimes will go to court for appropriate sentencing, and third, we want to protect the public by introduc-

ing universal registration of all firearms and thus encourage compliance with safe storage requirements.

We announced what the government has decided to do with respect to firearms, including—

The Speaker: I am sorry, but the minister's time has expired. The hon. member for Roberval.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Justice is saying some very fine things, but will he admit that under the plan he has put forward, the owners of some 13,000 automatic weapons registered in Canada, including 4,000 AK–47s, which are military weapons, will be legally entitled to keep them until their death?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the firearm that was used by Marc Lepine in the tragic events five years ago today will, under the decisions made and announced last week by the government, be prohibited from future sale when the law is enacted and its power exercised.

We have also said that an order in council will be put in place January 1, a few weeks from now, to prohibit outright certain assault pistols and assault shotguns which will be confiscated from those who now have them.

Further, on January 1 next an order in council will be passed which will prohibit over 200 types of paramilitary and assault firearms.

• (1420)

It is true to say that those paramilitary firearms, as well as the prohibited handguns, will remain in the hands of those who now have them. However they may not transfer them. They may use them only until they die. They can surrender them to the police or they can disable them. That is the policy.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister knows perfectly well there are regular instances of firearms being in circulation when owners declare they have been stolen, lost or have otherwise disappeared. His regulations will not solve that problem.

Why does the minister not understand it is important to act now, considering that a large number of women, in Quebec for instance, have been killed by firearms since the tragic events at l'École polytechnique and that his action plan will have no measurable impact before the year 2003?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): May I emphasize, Mr. Speaker, that nothing is postponed about this plan. On January 1, less than a month from now, the order in council prohibiting a wide range of firearms will come into effect. In the calendar year 1995 we shall have legislation enacted through Parliament that will introduce the strong criminal penalties that we have announced.

On January 1, 1996 the registration system will begin. Through incitements to early compliance, we expect that the vast majority of firearms and their owners will be registered in the system in the early period after the introduction of that system.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice.

According to Canadian police and customs officers, prohibited weapons continue to flow into Canada. The vice–president of the Canadian custom officers union is of the opinion that the justice minister's plan of action contains no measure to stop gun smuggling from the United States.

Does the Minister of Justice not agree that the stricter control measures that his government announced last spring have had no effect to date and that his action plan will not be any more successful?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I agree with the hon. member. We made public last week decisions concerning stricter border control. The Minister of National Revenue, the Solicitor General and I announced last week that the Government of Canada will take steps to ensure that control is exercised at our borders.

[*English*]

The minister of revenue has announced specific changes in both operational policy and statutory amendments that will give us greater control, including insisting that all shipments of firearms coming to Canada will have permits issued in advance. Second, there will be enhanced supervision at the borders. Third, we will limit the points at the borders at which firearms may enter the country.

Along with universal registration, this will make a difference in cutting down smuggling.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, can the Minister of Justice tell us if he plans to take as long to put in place measures to stop gun smuggling from the United States as to implement the registration of firearms?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the changes in the administrative and operational practices at the border which were outlined by the minister last week will be effective immediately. Other changes in the statutes will be affected by the bill we will put

before Parliament next February. As soon as that bill is passed those changes will be in place and will be effective.

May I encourage the hon. member opposite to join with the government in these important steps that we have taken for what I know is a common objective between us, a safer country. May I encourage her and her colleagues in that party to join with us in making these changes happen.

* * *

PROVINCE OF QUEBEC

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the premier of Quebec today released a draft bill entitled an act respecting the sovereignty of Quebec.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

• (1425)

Mr. Manning: He also declared his intention to secure the unilateral passage of this bill by the Quebec assembly prior to any referendum.

The bill in question contains references to territorial boundaries, native affairs, federal social programs, citizenship, currency and international treaties, all of which are clearly under the sole jurisdiction of this Parliament.

Does the Government of Canada agree that the draft act respecting the sovereignty of Quebec is beyond the legal powers of the government and assembly of Quebec?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Government of Canada has every confidence that the people of Quebec, when given the chance to vote on the real question of whether they want to become a part of a separate country or whether they want to stay in Canada, will vote an overwhelming yes to Canada.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we too have confidence that the people of Quebec will make the right decision but that was not my question.

Does the Government of Canada agree that the draft act respecting the sovereignty of Quebec is beyond the legal powers of the government and the assembly of Quebec?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the question of the leader of the third party is as confused as the question of the—

Some hon. members: No, no.

Ms. Copps: The premier of Quebec has no right to put a bill before the people when the people have not chosen the route of separation.

We do not intend to enter the kind of slippery slope of speculation that the leader of the third party wants to take us down.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, this debate between federalism and separatism will only be enhanced by people being presented with the facts.

I ask the Deputy Prime Minister the question once more. Does the Government of Canada agree that the draft act respecting the sovereignty of Quebec is beyond the legal powers of the government and the assembly of Quebec?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, it is unfortunate that the leader of the Reform Party is playing Jacques Parizeau's game.

We do not intend to play that game. We intend to ask the people of Quebec a very clear question: Do you want to stay with Canada or do you want to separate? That is the question they will be voting on in the referendum.

* * *

[*Translation*]

BOSNIA

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the minister of defence.

While the Conference on Security and Co–operation in Europe is meeting in Budapest, where the international community is endlessly debating how to make the Bosnian Serbs listen to reason, the Bosnian Serbs themselves continue to thumb their nose at the UN and the major powers. They still refuse to release their 309 detainees, including 55 Canadian peacekeepers.

Does the defence minister confirm that the 55 Canadian peacekeepers held hostage for 13 days have not been released, as the Bosnian Serbs promised, and is this not another proof of the bad faith of the Serbs, who do not honour any of their commitments?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I have been informed that a meeting was held yesterday between the UN commander in Bosnia, General Rose, and the Bosnian Serbs.

The Bosnian Serbs have given General Rose assurances that all detainees would be released soon.

[*English*]

That means we have had assurances from the Bosnian Serb leadership, Dr. Karadzic and General Mladic, yesterday in Pale when General Rose met with them that all of the UN detainees—there are about 350 right now—will be released soon.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, the Serbs have promised several times to release the peacekeepers, but it has not happened yet.

• (1430)

Are we to understand that the Bosnian Serbs have not agreed to release the peacekeepers held hostage because the UN refuses to promise that NATO will not launch more air strikes against them?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I do agree with the hon. member that it is very frustrating to have these continual assurances from the Bosnian Serbs. We had it on Friday when Mr. Akashi, the Secretary–General's representative, negotiated a deal with the leadership and only a few people were subsequently released. We hope that this latest negotiation will bear fruit.

With respect to the specific aspect concerning NATO air strikes, that framework was agreed to by NATO last spring. Canada is a signatory to that framework. Those air strikes can be utilized when and if the double key is unlocked, i.e., the commander on the ground advocates it and NATO agrees and of course the UN representative Mr. Akashi also agrees.

* * *

PROVINCE OF QUEBEC

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, in replying to the leader of the Reform Party the Deputy Prime Minister said, and I paraphrase it, that we intend to ask a certain question and that is the question of the unity of Canada versus the separation of Quebec.

Shall we take from that response that it is the intention of the federal government to put its own question to the people of Quebec and to the people of Canada on the clear question of separation?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): The House leader of the Reform Party is on very dangerous ground when at a very crucial point in Canada's history he and his leader and other members of his party are more intent on attacking the federal government than on attacking the separatists.

What I said in response to the question of the leader of the Reform Party was that we will not be drawn into speculation. The supposed bill that was put before the people of Quebec today by the premier of Quebec is not legitimate because the question has not been asked. The key question and the question that we will ask and ask and ask again over the next number of months to the people of Quebec is: Do you want to separate from Canada or do you want to remain?

We are confident that by working with all members of the House, working with the Reform Party, working with the Conservative Party, working with the New Democratic Party, that the cause of federalism will succeed because Quebecers want to be a full participating partner in Canada.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I welcome two pieces of information from the Deputy Prime Minister. One is that she and her government will have a co–operative attitude with all federalist parties. The second is that she views the bill tabled today by the premier of Quebec as not legitimate.

Is it therefore the intention of the Government of Canada to make it clear to the government of Quebec and to Mr. Parizeau that this Parliament has the sole legal right and the sole jurisdiction in areas such as boundaries, native affairs, citizenship, currency, international treaties and federal pension programs? Is that the intention and does she intend to express that view clearly to Mr. Parizeau?

[*Translation*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, what we will say to Mr. Parizeau is that if he really had the courage of his convictions, he would ask the real question, which is: Do you want to separate, yes or no?

Since he did not ask that question but tabled books and studies by commissions, he is not sure that he will win. We are convinced that Quebecers will vote to stay in Canada.

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MIL DAVIE SHIPYARD

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of Industry. This morning, we learned that the deputy ministers of Transport and Industry of the Quebec and federal governments will meet right here in Ottawa tomorrow on the future of Quebec's last great shipyard, MIL Davie, which is threatened with closure.

Can the minister tell us what mandate he gave senior officials concerning what his government intends to do to help the MIL Davie shipyard?

• (1435)

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as I explained several times here in the House, I think that the first thing is for MIL Davie to complete a business plan and have it accepted and supported by its shareholder, the Government of Quebec, and have it accepted by the employees of MIL Davie.

There are very difficult problems these days. We are prepared to discuss with the shareholder, the Government of Quebec, but there will still be several things to discuss. We are always ready to hold meetings like the one scheduled for tomorrow.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question concerned the mandate.

Can the Minister of Industry confirm whether, in addition to a contract for building a new ferry for the Magdalen Islands, the question of benefits from the Hibernia megaproject will be discussed, following the flagrant injustice which the Hibernia consortium did to MIL Davie?

Hon. John Manley (Minister of Industry, Lib.): As always, Mr. Speaker, the Bloc engages in demagogy. Is the hon. member prepared to accept that yesterday, when the member for Roberval spoke about a process of rationalization, he had the facts wrong? He misrepresented them when he said that most of the rationalization was in Quebec.

Is the hon. member ready to accept, first, that the Government of Quebec, as MIL Davie's shareholder, is responsible for taking a position on the business plan? Does the Bloc think that the Government of Quebec is unable to solve the problems of its company, MIL Davie? If they think so, do they think that the Government of Quebec is unable to handle the business of the province of Quebec?

* * *

[*English*]

SMALL BUSINESSES LOANS ACT

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the government plans to increase the lending ceiling under the Small Businesses Loans Act to $12 billion. This money is available for fixed assets, not working capital.

The industry committee report "Taking Care of Small Business" identified working capital as the problem, not asset capital. In fact suppliers of funding for asset financing asked that the government not compete with them.

Why did the government not follow the recommendations of its own committee and address the working capital needs of small business particularly exporters, rather than increasing competition with the existing sources of asset capital at significant expense to taxpayers?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, let us understand first of all the proposal we brought forward yesterday. It indicates clearly that in making the amendments to the Small Businesses Loans Act it is our intention to ensure that program is of no cost to the government.

In that sense the additional fees we proposed to charge and the cap on the interest rates will contribute to that. We have indicated we will work with all stakeholders to ensure that the changes we make continue to provide an effective program for small businesses to meet their needs and will not cost the taxpayers by way of calls on the loan guarantees.

I also want to emphasize for the hon. member that the reason we raised the limit is very simple. Over the course of the last 18 months the demand by small businesses for assistance under that program has caused it to reach its limit of $4 billion. That is how successful and popular the program is. I believe it contributed directly to the 400,000 jobs that have been created in this country in the last year.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, you do not have to be rocket surgeon to figure out that if you increase the rate, if you lower the amount that is available, if you make it easier for the banks to roll over their delinquent or their poorer loans, people are going to take advantage of it. The problem is that we are making it easy for the banks to get rich.

Canadian taxpayers now subsidize the Small Businesses Loans Act up to $100 million a year. The government proposes a 1 per cent fee to offset anticipated future losses. However, the industry committee recommended that small business loans guaranteed under the act carry an interest rate commensurate with risk.

• (1440)

What specific safeguards has the minister implemented that will ensure this does not become just one big subsidy program for the banks?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, you do not need to be a brain scientist to know that if you are going to get a government program right you really ought to consult with the stakeholders that are using it.

The member raises a serious question. I want to assure him that I share his concerns as he has expressed them about what could be done with the program.

The hon. member should know that we did commission a study of this program by Professor Allan Riding of Carleton University. His study indicated that the changes that were brought into effect in 1993 have actually resulted in increased loans at least 60 per cent of which were incremental to what would otherwise have been out there and were directly related to job creation.

That is why we believe the first priority should be to raise the cap so that the program continues to be as useful as it was to

small business. We will make the changes. I understand what he is asking for. That is what we will endeavour to do in the changes. We do not want the program to be a subsidy to the banks.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Yesterday, the minister claimed that 96 per cent of Canadians supported an in–depth reform of social programs. The minister even had the nerve to claim that these 96 per cent supported his approach. However, he should know that Canadians do not support a social program reform which will be effected at the expense of the poor.

How can the minister claim that his reform is supported by a majority of Canadians when over 80 women's groups, including the National Action Committee on the Status of Women, clearly reject his UI reform because it is discriminatory and primarily targets women?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, what I said yesterday was simply to repeat the results that were taken by a nationwide survey.

What is important to note is that when the survey is broken down by region as many people in Quebec support the social reform proposals of the government as in the rest of Canada. What is equally important is that according to the survey as many women support the programs for social reform as do men. There is absolute equality among genders in supporting our social reform proposals.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, when will the minister realize that his reform will make women more financially dependent on their spouses, since their eligibility for UI benefits as well as the level of those benefits will depend on their spouses' income?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Actually, Mr. Speaker, it is quite the reverse.

If one looks at the proposals for two tiers established by some income test the fact of the matter is low income women in poorer regions would be the major beneficiaries of that proposal. That is the point of debate. The facts and analysis being presented by the hon. member have no root whatsoever in the real analysis and evaluation. I would be glad to share that with the hon. member as it was contained in the unemployment insurance papers.

That is the point. Let us get away from mythology. Let us get away from exaggeration. Let us get down to the facts. The facts are that under our proposals for improved child care, improved working opportunities and improved benefits, women will be much better off in terms of gaining equal access to the workforce.

* * *

VIOLENCE AGAINST WOMEN

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, my question is for the Secretary of State for the Status of Women.

It has been five years since 14 women, all student engineers, died at l'École polytechnique in Montreal. It has been four years since the all–party report on violence against women was tabled in this House of Commons.

Since none of the report recommendations have been implemented to date, could the minister tell this House when we might see action on the proposals contained in the document?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I know my colleague has been very committed to the whole field of action against violence and was a very important member of that committee that deposited that report.

• (1445)

Violence against women and children is a question which we have addressed in our red book. It is a question to which this government is very committed. It is a multifaceted program which includes legislative action, educational activity and co–operative development with our federal, provincial and territorial partners as well as with police, the advertising industry, et cetera.

I think the Minister of Justice has brought in a very significant package that does answer many of the reports. The fundamentals and our first task in this House is to bring forward legislation that will set the guidelines, the yardstick, the measurement against which we will attend to people who commit and continue violence against women.

I say that the other role we have to play is educational.

Mr. Abbott: Time.

Mr. Peterson: More.

Mrs. Finestone: You are not the Speaker.

The Speaker: I was going to say once you sit down, you are out of the game.

EMPLOYMENT EQUITY

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the Minister of Human Resources Development.

Although employment equity already exists in practice across much of the federal government, the minister will soon legislate hiring in the public service based on race, gender and disability. The minister says that he does not believe in hiring quotas, but his legislation will instead require numerical goals.

Will the minister tell us the difference between numerical goals and hiring quotas in the fulfilling of the demands of the employment equity program?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member knows that was a clear commitment we made during the last election campaign, that we would reform the employment equity programs. I would remind hon. members we have over 170 members to prove just how many Canadians supported that mandate.

The importance of ensuring equal access and equal opportunity in the workplace is one of the primary objectives to ensuring a good effective economy as well as ensuring the rights of men, women and all those who have disabilities or are visible minorities.

I will be tabling legislation next week in co–operation with my colleague the President of the Treasury Board. At that time the hon. member will get a full view of what is presented in the legislation. I cannot pre–present myself. I think the hon. member should wait and see what the bill has to say.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the public service has always prided itself on the fact that it has always done its hiring based on merit and merit only. The managers who fail to meet these numerical targets, goals, quotas or whatever the minister may want to call them will inevitably be disciplined.

What will the minister do to ensure that the managers who are doing the hiring and firing in the civil service are doing it based on merit and merit alone?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member should know that the public service of the Government of Canada has been subject to a series of guidelines related to employment equity going back to the previous Liberal government when the then Solicitor General who was responsible established a very good regime.

We want to ensure in the legislation that there is clear parity and balance between the rules that apply in the private sector and the public sector. This is something that was asked for by the public servants of Canada.

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[*Translation*]

BOVINE SOMATOTROPIN

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is directed to the Minister of Health.

I would like to remind the minister that the director of the bureau of veterinary drugs at Health Canada, and I think she should know this, the boss of the bureau that is examining somatotropin to advise the minister on the approval being sought for this drug, is lobbying on Parliament Hill to promote the advantages of this hormone.

How can the minister blatantly use her director's leave without pay as an excuse, as she did yesterday, to condone this conflict of interest?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the person in question has been on leave of absence for a year and a half. During his leave of absence, he does work for Health Canada and does not speak on behalf of Health Canada.

• (1450)

That being said, I am aware of the hon. member's concerns about this matter, and I have asked my deputy minister to look into the matter in order to give everyone the assurance that the conflict of interest guidelines for the Public Service have not been circumvented.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, how can the minister guarantee that her director, who is on leave without pay and is lobbying on behalf of a number of drug companies, will not influence the recommendations of the bureau of veterinary drugs of Health Canada regarding somatotropin, since the director did not reveal his connection with the department?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I may remind the hon. member that bovine somatotropin has not been approved and that this drug will only be approved once the department's researchers have the assurance it will have no negative effects on either Canadians or cows.

* * *

[*English*]

CANADIAN WHEAT BOARD

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, yesterday the minister of agriculture defended commissioners of the Canadian Wheat Board by stating that they participated in

public meetings by "discussing a broad variety of aspects pertaining to the marketing of western Canadian grain".

The minister also said: "None of the commissioners were actively involved in any campaign for the advisory committee". It seems curious that the minister did not see the article written by commissioner Richard Klassen in various farm papers promoting not a variety of views but one particular view on the Canadian Wheat Board.

Will the minister review the actions of Mr. Klassen and the other commissioners to see which commissioners violated the stance of political neutrality?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, it seems to me not unusual that a commissioner of the Canadian Wheat Board would from time to time defend the policies and practices of the Canadian Wheat Board. That seems to be quite logical in the ordinary course of events of being a commissioner of the wheat board.

If the hon. gentleman has any specific allegation that he would care to make with respect to any kind of impropriety on behalf of any particular individual or commissioner associated with the Canadian Wheat Board, I suggest that he should bring that allegation forward specifically and not engage in these broad based innuendos.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, section 17(4) of the Canadian Wheat Board Act states: "It is the duty of the board to exercise direction and supervision over the administrative conduct of an election of members of the advisory committee". Therefore the role of the commissioners is parallel that of Elections Canada in a federal election.

Several commissioners by promoting the point of view of one group of candidates violated the Canadian Wheat Board Act. Will the minister call for the resignation of all commissioners who actively campaigned during the period leading up to the election of the Canadian Wheat Board advisory committee?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the short answer to the hon. gentleman's question is no because I have no information before me at the present time that would justify any of his allegations.

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PEARSON INTERNATIONAL AIRPORT

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, my question is for the Minister of Transport. Transport Canada has more than doubled the parking meter rates at Pearson International Airport terminals 1 and 2, hiking the rates from $3 per hour to $8 per hour.

Will the minister explain why such huge increases are being levied on the travelling public at a time when disposable income is on the decrease?

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, I know that the member is concerned with the safe and efficient operations at Pearson as the minister is. I want to tell the member that the rates have not been changed since 1991 except for the changes necessary because of the Ontario tax changes. Also, the parking meters are provided at the most congestion sensitive areas of the airport and are only meant to provide short term parking for luggage and dispersing of passengers. If people want to park for longer periods of time then the parking garage at Pearson is only $3 per half hour. That is how we are going to deal with the congestion problems at Pearson.

* * *

• (1455)

[*Translation*]

FISHERIES

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

At the last federal–provincial Conference of fisheries ministers, on November 1, the Government of Quebec ask the federal government to transfer a portion of the fisheries management function to the province. Soon after, the minister of fisheries announced in this House that he intended to reorganize fisheries, stating that he was looking forward to pursuing productive exchanges and discussions with all the provinces, including Quebec.

Why has the minister not yet responded to the request from the Quebec fisheries minister, when he is about to table a fisheries plan that will affect the entire industry in the Atlantic zone? Why?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the member is absolutely right. It is a shocking thing that fully 35 days have passed since the Government of Quebec tabled a proposal that would radically alter the nature of the relationship between the federal government and the provincial government. This government has not yet offered a comprehensive response to this radical altering of the nature of the way in which we manage the marine fisheries and we have had fully 35 days to deal with it, to fully discuss it and implement it. It is a shocking, shocking thing and I will attempt to do better in the future.

* * *

GUN CONTROL

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, in Revenue Canada's press release last week on gun control it was indicated: "The RCMP and Revenue Canada Customs are using

resources allocated under the government's anti–smuggling initiative and will continue with stepped up measures to combat smuggling". Even the justice minister accepts the fact that there are thousands of guns coming across the border every month and yet the port of Fort Erie across from Buffalo has only interdicted six per month in the last year, six out of one thousand.

Does the revenue minister agree that both he and the justice minister are giving a false sense of security to Canadians with their ill thought out gun control legislation and the fact they will not be able to enforce the laws at the border anyway?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the hon. member appears to be unaware that the proposals for gun control are extremely well thought out and in fact have wide support among the Canadian people.

Further, with respect to the border, I do not know where he gets these precise accurate figures on illegal weapons unless he himself is out there doing it.

* * *

VIOLENCE AGAINST WOMEN

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Deputy Prime Minister. As she will know, in the last four years we have had two major reports on violence against women: one, the war on women which is a subcommittee of Parliament and, second, the panel on violence against women which cost over $11 million. She will also know that transition homes, rape counselling centres and women's centres continually struggle for adequate funding.

I want to ask the Deputy Prime Minister whether her government is committed to ensuring through core funding the continuation of these essential services which help to prevent, to treat and counsel against violence against women and whether her government will do so through shared costing with the provinces and territories.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I can certainly assure the hon. member, knowing her own personal interest in this issue and the interest of her party, that we are going to do everything we can to live up to the commitments that we made in the red book to make Canada a fairer and a safer place for all women.

That is why we moved within the first year on specific legislation on gun control, a very strong package which could prevent the Marc Lepine massacre from happening again. That is why we are moving very soon on pay equity legislation, so the women in the public service get the equal treatment they deserve. That is why we will respect our commitment to core funding for transition houses, so the women of Canada can be protected from violence whether it comes from the streets, from their neighbours or sadly, from their own homes.

* * *

• (1500)

CORNWALLIS PARK DEVELOPMENT AGENCY

Mr. Harry Verran (South West Nova, Lib.): Mr. Speaker, in South West Nova the Cornwallis Park Development Agency has been established to promote economic development since the government announced the closure of CFB Cornwallis.

Can the Minister of National Defence assure this House that the government remains committed to ensuring the economic viability of the Cornwallis community? Will the Department of National Defence work together with the Cornwallis Park Development Agency to render CFB Cornwallis property attractive to outside investors?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I can certainly give the assurances to my hon. friend from South West Nova who has worked very hard for the interests of his constituents after we closed the forces base at Cornwallis.

One of the things the government announced in the last budget was the establishment of the Lester B. Pearson Peacekeeping Institute. We want to make this a world class facility for trainers in peacekeeping techniques.

We hope to be able to divert more funding through bilateral arrangements with some of the eastern European nations and other European nations as a result of the readjustment of NATO infrastructure funds.

We are absolutely and totally committed to helping make that establishment a world class facility, but also to preserving many of the buildings on the site so that the hon. member and the local authority can market them and give that base a new economic life.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. Jim Abbott (Kootenay East, Ref.): I rise on a point of order, Mr. Speaker. I think upon reflection you will find that the Minister of National Revenue has accused me of smuggling guns. I believe that was exactly what he had to say.

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, if there was any suggestion that the hon. member was smuggling guns I immediately would like to correct that impression. My question was only how does he get these accurate figures on the guns that are smuggled?

The Speaker: I take it that whatever was said hopefully is withdrawn and that no offence was intended.

GOVERNMENT ORDERS

[*Translation*]

VIOLENCE AGAINST WOMEN

The House resumed consideration of the motion.

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, I would like to share a thought on violence against children, a painful reality I have often been confronted with in my profession.

Even if our instinctive reaction of outrage tends to overshadow everything else when we are confronted with such unacceptable tragedies, I have learned from experience to read in this violence the signs of a society which is out of balance, a society in which social expectations of performance at any cost, family isolation, financial difficulties and psychological deficiencies play a major role. These are sick families.

As Fairholm wrote in a book published in 1990 and entitled "Child Abuse Prevention Program for Adolescents", children of all ages are abused. In every social, economic, racial and ethnic environment, there are adults abusing children under their care. All families and all children are vulnerable to this problem. Psychological violence is at the root of all forms of abuse or negligence, but we do not know how common physical neglect actually is. Is such ignorance tolerable? I do not think so.

• (1505)

In conclusion, I would like to go back to the events of December 6, 1989, exactly five years ago today. A light late afternoon snow is falling on the city, when horror suddenly strikes: 14 young women are gone forever, robbed of a promising future.

This tragedy affected me personally because I knew one of the victims; her name was Anne–Marie. In memory of all her sisters, I laid 14 white lilies near her grave. I thought for a moment of adding a red rose dedicated to Marc Lépine's mother, but I decided against it because the violence done to this woman in the evening of December 6 was beyond imagination. This woman died deep in her soul.

The Deputy Speaker: Dear colleagues, the issue we are dealing with is a very serious one, so I would ask my colleagues to hold their discussions outside the House. The hon. member may continue.

Mrs. Dalphond–Guiral: Mr. Speaker, I thought for a moment of adding a red rose dedicated to Marc Lépine's mother, but I decided against it because the violence done to this woman in the evening of December 6 went beyond imagination. This woman died deep in her soul.

I want to tell her today what I could not tell her on December 6, 1989: We share your pain in solidarity and we refuse to condone daily violence because it always erupts in the end, leaving indelible scars.

I say to the grieving families, particularly the three families in Laval, that they are in our thoughts and that this ultimate sacrifice has become the symbol of the campaign to eliminate violence against women.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): December 6, 1989. Memories come flying of that night five years ago. I remember it very well. I remember it was cold and there was a lot of snow in Ottawa.

I remember the night particularly because the then Leader of the Opposition, the then member for Vancouver Quadra had a party at Stornoway for members of the Liberal caucus. I remember the fellowship, the Christmas cheer.

I remember a number of us going out for dinner after the party at Stornoway. I remember in particular there were more than a dozen of us in a downtown Ottawa restaurant waiting for the member for Humber—St. Barbe—Baie Verte, now the Minister of Fisheries and Oceans. We were wondering what was keeping him and why he was holding up our evening. I can remember. So many memories like this are etched in our minds. I can see the hon. member standing ashen faced in the restaurant doorway coming to tell us he had just heard the news on the radio of the 14 young women at l'École polytechnique.

I remember many things and forget others. Hon. members know the hon. member for Renfrew—Nipissing—Pembroke has sat for many years in this House and is one of its senior members. He was sitting next to me and he said things like that do not happen in Canada. They are not supposed to happen.

• (1510)

I remember later that night back in my apartment the member for Saint–Laurent—Cartierville and I were riveted to the television set watching Ian MacDonald of CBC report from l'École polytechnique. I remember the flowers in the snow. In particular I remember a beautiful young student talking about her fateful meeting with Marc Lépine in one of the corridors at l'École polytechnique. She described how she saw him and she crouched down and how he pointed the gun at her and fired twice. Both times through chance and the incredible grace of God it misfired. She kept saying she did not know why she was alive and the others were not.

I remember most particularly from first hearing the news to today five years later realizing that in this instance women were culled from the crowd. They were singled out. They were stood against a wall and they were executed.

They were executed because in that diseased mind, and there is no question of that, they had raised themselves above the trench, if you will. They had taken a step away from the norm. They had gone into a non–traditional profession for women. They had dared to do something that in that diseased mind women were not supposed to do.

I want to say a very special word about two of my former colleagues in this House. I want to pay tribute most particularly to Dawn Black, the former New Democratic Party critic on the status of women. Through her efforts on a private member's bill she sponsored this day has become the day of remembrance and action.

I remember being in this House many times speaking and supporting Dawn and being supported by the other women I would like to pay tribute to today. There is the Hon. Mary Collins who was then the Minister responsible for the status of women. I also want to pay tribute to our colleague from Saint–Hubert from the Bloc Quebecois who also supported us very much on that.

I remember these things and I want all of us to remember these things. I remember the people I met when this terrible tragedy focused the debate and the battle against violence against women. One person I will never forget and to whom I would also like to pay tribute today is Suzanne Laplante–Edward, the mother of Anne Marie Edward, one of the victims. She would probably not want to be singled out. She would talk about herself as a parent and an activist but she has become a symbol as well. She would probably have preferred to remain the mother of an engineer.

What happened on that cold December night in Montreal galvanized all of us to a degree but we still have much farther to go. It is very true that violence against men and against children exists in our society. However it is not sensible to refuse to recognize that violence against women is a particular problem that exists in every cultural group, in every society, east, west, north, south, in every racial background. It is a tragedy and a horror, but it is there. Asking what about men and what about children does not take away from the fact that there is the peculiar and particular problem that in far too many cases women wake up in their own houses and are afraid. When we talk about fighting this problem it does not mean that we think less of the victims of other forms of violence. It does mean that we underline this problem as a special one, as one that needs special responses and special protections. I mentioned journalists before and I spoke about Ian MacDonald from the CBC. I want to say a word about Stevie Cameron. I doubt there is a woman who read the *Globe and Mail* that week that does not remember Stevie Cameron's incredible column that was entitled "What do we tell our bright and shining daughters?" She spoke for all of us, those who are the mothers of daughters and those who are not but who have a responsibility to all the daughters. She talked about issues of safety. She talked about bringing up young women so that they do not have to be afraid. She talked about the way we all worry about our young, whether they are ours personally or ours generically. I will always remember her words.

• (1515)

Just yesterday I looked at a plaque in my office with the pictures of those 14 young women. I think the average age was 22. There was one I remember looking at and saying: "Gosh she was quite old. She was 29". I think of the terrible waste that took place in Montreal that night. Those young women would have made such a contribution to their profession, to their own families, to their communities, to their province, to their country, to all of us.

Madam Edwards mentioned in her interview in the Montreal *Gazette* this morning that what was lost there was not just all that beauty, talent, youth and enthusiasm. As a country we lost some of our innocence and our naivete because, as my colleague from Renfrew—Nipissing—Pembroke said, this is not supposed to happen in Canada and suddenly it had happened.

We have many spirited debates about the question of gun control, about questions of violence, about how to deal with and how to make sure that what happened in Montreal will never happen again. If we are lucky never again will we see a mass murder like that. We all pray that we will not. The tragedy is that we do see this violence against women every day.

There is a badge that some of us are wearing today that says: "Never again, December 6, 1989". The tragedy is that it is still going on. The tragedy is that we have not yet come to grips with how to deal with the question of violence against women. The tragedy is that every six days a woman is killed in this country with a firearm. I did not make up that statistic. It is not false. It is there. The tragedy is that women are beaten, brutalized and abused.

Yes, others are beaten, brutalized and abused but on a continuum—I underline this and repeat this—there is a particular, horrible and deep–rooted problem in our society, right here in Canada, whether in British Columbia, Yukon, Nova Scotia, southern Ontario, whether in a city or on a farm, it can and does happen in every single one of our ridings. To a degree we are all frightened and struck by our helplessness in the face of this ghastly and unacceptable situation.

We are legislators. We are all here, every one of us, no matter what our political belief or background, because we want to do what is best for our constituents and for the people of our

country. We have to legislate in the way we see fit. We have to understand that to root out this kind of horrible growth in our society, sometimes the surgery that has to be undertaken is radical.

• (1520)

If it means intervening and removing certain rights, whether it is the right to privacy, the right to have certain things in our possession, then I have to say that every single one of us has to understand that the problem is so severe and so ongoing and so all–pervasive that I fear we will all be judged very harshly if we do not take the steps necessary to cure it.

A year and a half ago the blue ribbon panel on violence against women reported. It was the summer before the election and part of my job at that time was to respond. I now think that to some degree my response was harsh. It was an expensive panel. As the hon. member for Yukon mentioned, it spent almost $11 million. To this day I have reservations about some of its responses.

However, one thing I did not make enough of at the time and I need to make something of today, and I know other speakers will also, is the committee very clearly stated the acceptance by the general population of the deep–seated problem of violence against women. I call it what it is, violence against women. It is not domestic violence, not spousal violence. Do not try to hide it behind words. It is violence against women. It is something that too many people in our society still do not accept. They think that it belongs to some strange subculture. There are some even in the House, and again I impute no motives but is just a lack of awareness, who think it is provoked, who think that there are reasons in a victimology that creates violence against women.

We all have to ensure that we understand the issue, and that we understand that to hit another person is wrong. It is a criminal offence. It does not deserve to be put in a special category because it happened in the home, because it was between husband a wife, because it was between two people who share a bed and a history that it is somehow different. It is violence. It is always a crime. It is never acceptable. There are too many dead bodies. There are too many injured women. There are too many scarred children.

This is Canada. The member for Renfrew—Pembroke—Nipissing said it five years ago tonight: "This kind of thing does not happen here". This kind of thing should not happen here. But we have a responsibility to do everything in our power as legislators to ensure that it does not.

Ms. Catterall: Mr. Speaker, I rise on a point of order. Because of the interest in this debate, I wish to inform you and the House that the government members will be dividing their time from this point on.

• (1525)

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, it is a privilege to join in the debate and to follow the very moving and eloquent words of the member for Halifax. I am sure the House was moved in a very real and a very positive way five years ago when this tragic occurrence took place.

It is particularly timely to reflect on that. We are exploring violence in our society as we begin to discuss the impending legislation, Bill C–41, which is the hate law and the legislation to come on gun control.

All of these things are intermingled and mixed with the violence that seems to be pervasive in our society. When we turn on the television and see children's programs that are one violent scene after another, when we go to movies and see that they are based almost exclusively on violence can we wonder when it happens in our midst what causes it?

This incident was horrible to a degree that we in Canada had not ever seen previously. It was aimed not randomly but specifically at women. The action was taken by someone who could have lived next door to any one of us, by someone who could have been one of our children, someone who otherwise seemed to be normal and just like everybody else.

This happened to ordinary people who were identified specifically because they were women and the killer thought they were a threat to him. They were engineering students in an occupation that traditionally has not had a lot of women.

My wife and I have a daughter who is an engineer. We understand that females who are engineers are unique because there are not that many of them. This touches so many of our lives because of the very ordinariness of the people who were affected by it and by the fact that it happened in Canada. This kind of thing just does not happen in Canada.

It does happen in Canada. It happens all over our country. It happens with alarming frequency. It happens with randomness. Here in Ottawa we had a young man who had just finished university shot and killed by a random act of violence in a drive–by shooting by a young offender.

When we compare that to the horrific events of the l'École Polytechnique five years ago, we have to speak to all of the people who are victims of violence, not just those who were tragically killed that night. Barb Danelesko was awakened in her home. She is just as dead, just as gone from her loved ones as anyone else.

As a society and as a legislative body we need to get beyond the superficial and see if we cannot find out what are the underlying problems in our society that cause or will allow this

kind of tragedy to happen. Violence against women is usually a domestic situation.

• (1530)

One thing that has puzzled me is that when there is violence in a domestic situation it is the women and the children who end up leaving the home and going to a shelter. The perpetrator of the violence is given a warning but usually that is about it. It is usually a male and he is usually allowed to go to work and lead a fairly normal life. What happens to the children? They end up being shunted about, torn from their home, torn from the things most familiar to them, torn from their friends and perhaps even torn from extended families if they are being stalked.

Why can we not throw the husband in jail? It is because the husband has rights. Society does not have rights. The children do not have rights. The wife who may well be dead does not have rights but the husband has rights.

The member for Halifax mentioned in her dissertation when she alluded to the question of gun control that sometimes in the greater good the rights of others need to be trampled. I believe in this reference she was speaking about firearms, and perhaps the rights of people to own and use firearms for the greater good have to be in some way restricted.

If we accept that as being true, surely in the interest of the same greater good the rights of husbands should also be curtailed. It makes absolutely no sense to me that society would have a situation where we protect the rights of an abuser or a husband, take the wife and the children from the home and put them into a shelter because we cannot in any way interfere with the rights of the husband. It makes no sense whatsoever. Why can we not throw him in jail for 90 days or 120 days, for a cooling off period?

Statistics show the vast majority of women are injured or killed as a result of domestic situations. However also in a vast majority of cases neighbours or friends know a disaster is about to happen. If we as fellow citizens, neighbours or relatives know that, why can we not intervene? Why can we not tell the police?

One of the underlying factors in domestic homicide is violence. If people are not getting along the chances of them being shot are greatly enhanced. Therefore it would be a good idea if the police very quietly and very gently said: "We know you are having problems. We do not want them to get worse. We know that you have guns. We want to remove these guns from your home for the protection of society and for the greater good. When the problems abate we will return them".

These laws are on the books right now. It would not require one new law. The police have the right to confiscate weapons if they feel and have good knowledge that there is the possibility of a crime being committed with the weapons.

We need to be cautious when we are promulgating laws that deal with violence in homes, violence in general or violence in society. We have a situation in the country where violence is really endemic in society. In my view we are now trying to put politics ahead of principle. The principle we as a nation should hold dear is that we will not condone or in any way allow violence to become the way to resolve disputes in our society. Whether it is father and son, husband and wife or brother against brother, we are not going to use violence as a means of solving disputes in society.

• (1535)

We all agree on principle. I am sure every member of the House would disagree with the statement of principle that we do not want violence to be the means by which we resolve differences. What happens in a society when we say that some forms of violence or violence directed toward some people is more reprehensible than others? In my view that happens when we start to introduce penalties associated with a defining characteristic of the victim rather than the principle that we should not be doing it. It is almost as though we make allowances for some forms of violence or violence toward some people because they do not happen to fit in to a protected category.

I know this is not the intent of the legislation. I know this is not the intent of the government. However it is the reality of the legislation and the government if not the intent. We have abrogated the principle of evenness and fairness to all and replaced it with the notion that crimes committed against a person of a particular gender or with a particular defining characteristic are more heinous than crimes committed against the norm. That just does not make sense.

It does not speak to the root problem in society, that we tolerate ever increasing levels of violence as a means of resolving disputes. We see that in our grade schools. We see that on television when we turn on the TV. I wonder how many people have ever seen "Power Rangers", the children's program that was banned in many places.

When children grow up watching an ever increasing level of violence that is accepted, tolerated and condoned, is it any wonder that we end up with a society that uses violence to resolve disputes? I am speaking directly to the question of domestic violence, which is the vast majority of violence in our society.

Another form of violence I would like to spend a few minutes speaking to this afternoon is the violence directed toward children. That violence is the passive violence of neglect. In Edmonton there is a home called the Youth Emergency Shelter which is pretty much run by a few professional, very capable staff members and a lot of volunteers. It is pretty much supported by donations. It has a tremendous reputation within the community.

In 1983 in a nine-month period the Youth Emergency Shelter in Edmonton comforted around 200 young people around the ages of 14 to 16. Last year it was 200 and some or about a 15 per cent increase in the number of people helped by the Youth Emergency Shelter. We talked to the people at the shelter and asked them why people came to them and what their success rate was in salvaging young lives.

• (1540)

If we are to use a prophylactic approach to violence in our community, it would make great sense to be far more interventionist in support of agencies like the Youth Emergency Shelter so that children and young people 13 years old, who certainly could not be called children, have a place to which to go and be welcomed without question. They do not have to go to the door, knock on the door and ask to come in because they have done this or that. All they have to do is show up. When they are there they have to abide by the rules. They are welcomed. They are fed. They are given warmth and love. An attempt is made when possible to reunite the young people with their families.

What often happens is that a situation between a parent and a child becomes desperate and reaches a pivotal moment. Words are said and perhaps even blows are exchanged. One thing leads to another and the child leaves the home. Even if it is not the case, many young people feel they just cannot go back, that they are not welcome.

In many cases all that is required is a cooling off period, an opportunity for the young people to give it a second thought and the parents to speak to someone who has had some experience in this regard. As parents we all perhaps think we are inventing every situation as it comes along, but I have learned through my association, limited thought it is, with the Youth Emergency Shelter and my long experience with the youth programs of the Rotary that none of us are going through a unique occurrence. It has always happened to someone else before and many of us are in exactly the same boat.

It requires someone with some skill, some compassion and motivation to be an intervener and to build a bridge between the parents and the children to get the children, where possible, back into the nurturing environment of their homes. As we know that is not always the case. From time to time the only hope for a young person is to get out of an abusive situation.

We could make a tremendous return on our investment in society if we were to ensure that those young people who could not go back to their homes had another place to which they could go where they would feel safe and secure. We could keep them out of jail and perhaps they could become productive members of society.

I have had an opportunity to share in the debate today. I did so recognizing that violence in society directed toward women is something that all of us, men and women, have a role to play in preventing or in some way ameliorating. As well we need to look at the complete and the broader picture of violence as a part of our society, in particular the passive violence of neglect and abuse of children at home.

[*Translation*]

The Deputy Speaker: Earlier I said that I would recognize the hon. member for Matapédia—Matane. Since the Minister of Justice is not here to take the floor, I recognize the member for Matapédia—Matane.

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, it goes without saying that we must remember. I was at home when I heard about the tragedy at the École polytechnique. Even five years later, the memory is almost just as painful.

I spent my whole adult life as a high school teacher in a rural area.

• (1545)

Even in a comprehensive secondary school with 1,200 students, there was quite a bit of violence, so much so in fact that some children were persecuting each other in almost a tragic way.

When I first started teaching there was some violence, but it was more sporadic. However, toward the end of my career, it had become almost a daily occurrence.

Earlier, we referred to verbal abuse, which is very prevalent among young people. It is fine to describe that violence, and when we discuss violence, we forget about partisan considerations and think only about the victims, but we forget about meanness.

I have a question for this House: Why is there so much violence? It goes without saying that if a young boy is not loved, he will not like himself. And a young boy who does not like himself will develop a mean streak which he will express in various ways.

How does he behave? He hits, makes harsh comments, or hurls insults. It is said that violence generates violence. Gangs are organized: three against three, four against four, and so on. These gangs carry on their activities; they often use drugs and then they find weapons. There is practically no limit to what they will do.

How de we stop that? I believe there are several ways. By looking for the causes of violence, we will find the means to stop it. We feel that prevention is an excellent means to that end. In some schools, there is a lot more prevention than in others and violence has diminished considerably.

It is also true that where poverty and unemployment are a fact of life, crime tends to be more widespread.

The massacre of these young students was a tragedy, I agree. But two young people who make a suicide pact is also a tragedy. This happened in my riding two years ago, when two young people committed suicide. When you consider that these were intelligent, healthy youngsters, you wonder why they no longer

wanted to go on living. Why did they want to take their own lives? There must be a reason. And I wondered how at sixteen, seventeen or twenty, you could consider suicide. Many of my students committed suicide, and every time I said to myself: There is a reason. There is a reason, because we instinctively hold on to life, as anyone who has been near death will agree.

• (1550)

If you are in good health and you decide to take your own life, there may be several reasons but we have to find the right one.

Other students are in prison, some of my own students whom I see from time to time. Apparently, at 15 or 16 they were like everybody else, just as open–hearted. So what happened? Why did it happen to him and not someone else? Maybe it was some experience they had in their lives or somehow they had reached the point of no return, with very unfortunate results.

I agree we need legislation on firearms but we need more than that. I think that starting with primary school, we must find ways to wipe out this petty violence that occurs year after year. How can a three or four year old child become so aggressive that he is almost ready to strangle his next door neighbour? If we take them at 25 and send them to jail, the cost to society is enormous. Sometimes they get out with new tricks, and some, although not all, become repeaters.

My main concern is not firearms. I agree that we should control guns. I could not agree more. It does not make sense to send people to prison for 20, 25 or 30 years, and turn them into hardened criminals. I am not saying we should not do that, that is not what I mean. My point is that we have to go to the root of the matter and find out the initial causes as soon as possible.

Some children go to primary school without breakfast or lunch and only have a snack for supper.

Some of my oldest students were saying that poverty did not exist or hardly. Once, during the holiday season at the school where I taught we made Christmas baskets. I told these older students who were big and tough and sure of themselves to come with me. They came, and the first house we went to we saw two cases of empty beer bottles, each with 24 bottles, and a man lying on a kind of chesterfield. The cupboards were bare and children were crying.

When we got back, these guys who were 16, 17 or 18 and pretty tough, said: Poverty does exist, and we should go and visit poor families more often. These kids had been in trouble before, some had been convicted of theft. They felt they were luckier than others, but it takes time to make them understand. They should have these experiences, otherwise they harden their hearts and lose their self–esteem, and then they will do anything to survive. They try to be tough and become marginalized.

So to come back to what I was saying, I am glad the Minister of Justice is here.

• (1555)

I want to ask the minister whether all the legislation we are going to adopt should not emphasize prevention. Prevention should take place at the earliest possible age, because once a person is 40 and has been in prison repeatedly, I am not saying nothing can be done, but it is certainly far more difficult.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, first of all, let me quote the message published in Quebec newspapers today:

> Every citizen had to open their eyes and refuse to tolerate the various expressions of violence against women, from the smallest to the biggest, most obvious ones.

"Never again, Polytechnique!"

I have personally undertaken, as Minister of Justice, to put forward measures to counter violence.

[*English*]

When we are asked what the government is doing with respect to violence in society and violence against women in particular, a frank and direct answer must be that we are not doing enough.

We have taken certain steps and we resolve to take others. Working with the members of the House who have expressed so eloquently today their commitment to the principles we share and to the effort which we have embarked upon, I think we can truly make a difference through this legislation.

The steps we have taken include the changes contemplated in Bill C–42 to the regime of peace bonds which makes peace bonds easier to obtain from the court, which permit the applications for those protective orders to be made by police officers on behalf of women victims and which makes the enforcement and the consequences for the breach of such orders more significant.

I refer as well to the creation of the National Crime Prevention Council. I agree without hesitation with the comments made by the hon. member who spoke just before me about the importance of prevention in everything that we do. The National Crime Prevention Council which met for the second time in October has taken violence against women and children in Canadian society as one of its priority objectives during the coming months.

I refer as well to the family violence initiative, led by my colleague the Minister of Health, and the efforts that initiative involves to co–ordinate the actions of governments at all levels to address domestic violence toward women and children.

I refer to the announcement last week of the firearms control policy of this government and the very direct way in which it is intended to deal with domestic violence. Yesterday morning I had the honour of speaking in Edmonton at a breakfast organized to raise funds for shelters for women who are the victims of violence and for community services for such victims. I emphasized there one of the reasons why our firearms control policy is sensible. One of the reasons why universal registration is required is so that it will permit police the real tool to enforce prohibition orders where they are made in the context of a domestic dispute.

Nowadays, although prohibition orders are provided for by law, when the police officers arrive to enforce them they have no idea of what firearms are in that home. They must take the word of the occupant to determine what firearms should be taken away. That is simply not good enough. There should be a register. There will be a universal register of firearms and that will be overcome.

I can refer as well to the fact that I co–ordinate the efforts of nine ministers in the federal cabinet who work in a co–ordinated way to address the subject of violence in Canadian society generally. This includes the Minister of Canadian Heritage, for example, whose preoccupation in this context is with violence in broadcasting. It includes the Minister of Indian Affairs and Northern Development whose concern is for the incidence of violence in the aboriginal communities. Together, the nine ministers co–ordinate their efforts, working in a variety of ways to reduce and address the issue of violence.

• (1600)

[*Translation*]

Finally, on June 13, we tabled Bill C–41, to make a number of changes to the sentencing procedure. Under these proposals, abusing a position of trust or authority to commit a crime would be deemed to be an aggravating factor for the purpose of sentencing.

This bill is designed to provide women with further protection against the violence they suffer at the hands of persons in a position of trust.

[*English*]

That too will help, although none of these specific measures will be enough on its own.

There is a great deal more for us to do as a government. We must do a better job in the Department of Justice in testing and auditing the impact of all laws, particularly the criminal laws in terms of gender. What is the gender impact of changes we propose from time to time to the criminal law?

We must in the Department of Justice work harder and more urgently to resolve the issue that is getting worse by the month, dealing with the disclosure of confidential records in the course of criminal prosecutions, confidential records relating to female complainants that are subpoenaed from professionals who are treating the complainants, from confidants who may have heard the complainant make statements, from rape crisis shelters that may have helped the complainant immediately after the alleged event.

We have to find a way to resolve that issue, balancing on the one hand the right of the accused person to make full answer in defence, which is fundamental to the law, but at the same time the right of complainants not to be revictimized through the unwarranted invasion of their private affairs and what amounts to intimidation to prevent them from participating in the prosecution.

We must also grapple with the drunkenness defence in respect of which I am at work now to prepare legislative proposals for February. In many ways that is a woman's issue as well as a criminal law issue generally. It is no accident that the Daviault case involved allegations of sexual assault by a man against a women. It is no accident that the cases that occurred subsequently in other provinces too often involved allegations of violence by men against women.

As we address these challenges, as we face up to the fact that we are not doing enough and that we must do more, as we approach the remaining tasks with an enhanced sense of urgency and commitment, I urge all members of the House to participate with the government, to take on this societal imperative. Our daughters must grow up to inherit a different country, a country which expressly and as a fundamental matter of citizenship rejects violence in all forms and rejects violence against women and children in particular. That must be our goal and we must work together to achieve it.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I do not think there is any doubt that everyone in the House abhors violence, whether it is against women or against anyone else. There is no doubt about that.

I have heard a recurring theme here today. It is a theme, it seems to me, to make all of us feel guilty, especially men. This theme runs through the Canadian Human Rights Act, through the Charter of Rights and Freedoms and through other legislation that has been directed against men and in particular white men.

I would like to ask a rhetorical question of the minister. Is this fair? Is it not time to talk about violence against anyone as a serious matter? Is it not time to deal with the criminal who is committing the violence and deal to some extent with the potential criminals who are likely to commit violence? You do that best in a family setting. Instead of just trying to make men

particularly feel guilty, is it not a better approach to deal with the criminals and with the crime that is committed and with prevention through the family?

• (1605)

Instead of putting forward legislation that is damaging the family, destroying the family, instead give the family fair treatment under our tax regulations, under our social program system and under other areas of law, particularly under the minister's control.

I have one further part to this question concerning gun control. If the gun control the minister is proposing prevents violent crime, will the minister take personal responsibility for any crime that is committed once these laws are in place? Will the minister, when realizing that this gun control legislation totally fails, take the next step which is confiscation of all firearms?

Mr. Rock: Mr. Speaker, I do not speak as I do because I wish to make the hon. member or any other person feel guilty. I speak as I do to make all of us together feel responsible for changing the way things are.

I do not single out white men or middle aged men or men with blond hair or any other subcategory of the population. What I am suggesting is that we must face the facts. Violence in all of its forms against anyone is unacceptable. However sometimes violence against particular groups in society is so predominant, so widespread, so ingrained in the culture that it has to be identified for particular action.

Let me tell members why I say that. In November 1993, Statistics Canada published a survey which was unique in all the world. It surveyed a huge segment of the population about violence. All members of the population surveyed were women.

They found, among other things, that over half of the women surveyed had been the victims of an act of violence committed by a man against them during their adult life. That is extraordinary.

What am I? I am a middle aged white Anglo–Saxon male. If members went out and surveyed the middle class, white, middle aged Anglo–Saxon males you would not find anything like that kind of statistic in terms of victimization of violence. Why do we not face the facts? We have a problem here. We have a problem.

The man who walked into l'École polytechnique with the Ruger Mini–14 five years ago today said something when he pulled the trigger. He said bring on the women. I want to get the women. He killed 14 of them and injured another 13. It was at random. He was not after white, middle class Anglo–Saxon lawyers. He was after women, so let us deal with the reality.

It is everywhere. May I ask the hon. member if he has seen the television programs recently, the rock videos on MTV or the commercials that peddle products? What is implicit in them is the victimization of women which is deplorable. Let's stop it. I am not doing that to make anybody feel guilty.

Of course I support the family. That is where we must begin. We must teach children from the beginning to treat other people as human beings first, not on the basis of gender.

In so far as gun control is concerned, yes, I strongly believe that those measures will help address, among other things, domestic violence. Do I say that such violence will never occur with these changes? Of course not, because we cannot make it a perfect world. But I firmly believe that they will help to make things better.

I urge the hon. member in closing to not feel guilty because it is not anyone's intention to make him feel guilty for what others have done, rather to join us in feeling responsible. Together as members of this legislature we can do something to make it a somewhat a better world.

The Deputy Speaker: There is about a minute left. I would ask the member and the minister to divide that minute between the two of them please.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I do not have much time therefore I will just say what I want to say to the Minister of Justice.

I listened to him talk about prevention. Prevention is a key element in cutting the violence in our society. I hate and despise violence as much as anyone in the House. I want to hear the hon. minister use the words deterrent, consequence and penalty more often so that I can have some comfort in my belief that more severe consequences for violent crimes is on the hon. minister's agenda.

• (1610)

Mr. Rock: Mr. Speaker, I will be brief in just saying that deterrence is an essential part of this. I am the person who introduced decisions last week increasing to four years mandatory minimum penitentiary time for anyone who uses a firearm in any one of ten serious offences, including robbery.

Mr. Thompson: No parole?

Mr. Rock: No, but we will discuss this in committee. I am the one who proposed—

The Deputy Speaker: Order, please. The time has expired.

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak on this matter today.

Geneviève Bergeron, Hélèn Colgan, Nathalie Croteau, Barbara Daigneault, Anne–Marie Edward, Maud Havernick, Barbara Marta Klucknik, Maryse Laganière, Maryse Leclair, Anne–Marie Lemay, Sonia Pelletier, Michèle Richard, Annie

St–Arnault and Annie Turcotte. These are the names of the 14 women whose lives were needlessly extinguished at the École Polytechnique five years ago.

It has always bothered me that the name of their assailant comes more readily to mind than theirs. Today and every future December 6 is now designated as Canada's national day of remembrance and action to end violence against women. Ceremonies, vigils and public actions will focus public awareness on the many far–reaching implications of violence against women. These involve the social, psychological and economic well–being of women, men and children across society and across Canada.

Tonight in my city of London a monument memorializing the 14 women and others who are victims of violence is being unveiled. The monument is inscribed: "The London Women's Monument was dedicated on December 6, 1994, the fifth anniversary of the Montreal massacre. It is a place to remember and reflect on violence, particularly violence against women, and all women and men who work to end it".

Women's rights are human rights. We must acknowledge that violence against women is often a byproduct of gendered social inequality and can be a rejection of women's progressive empowerment.

Change can be led by governments but the most effective change begins with individuals. All men and women can make a personal commitment to the principle of zero tolerance, that no amount of violence is acceptable and that women's safety is a priority. As individuals we can focus more on co–operation instead of competition.

Earlier today the four federal and provincial female London politicians, representing three different political parties, issued a joint statement speaking out against violence against women. Violence against women is a social issue, even though many see it only as a political issue.

As individuals we can decide not to laugh at women–hating jokes, just as we do not laugh at racial slurs. Violence against women is not a funny issue. As individuals we can listen and discuss women's experiences, their fears and the equality barriers they face. It is still much more comfortable to be dismissive or to trivialize the alarming statistics which we have now compiled. Denial has never solved problems. It is time now to speak out and challenge any tolerance of violence or sexist behaviour.

Where possible, individuals can give financial or political support to services for victims and survivors. Individuals can volunteer at local transition homes and rape crisis shelters and be supportive of municipal, provincial, federal and non–government initiatives in their own neighbourhoods and cities. Violence against women robs women of their self–esteem, their dignity and in too many cases it robs them of their life.

Since Statistics Canada conducted its first national survey on violence against women in 1993, which was the first of its kind worldwide, the gravity of the situation has been brought to light. According to this survey, as many as 51 per cent of Canadian women have experienced at least one incident of physical or sexual violence since the age of 16. Almost 45 per cent of all women experienced violence by men known to them, their dates, boyfriends, marital partners, friends, family, their neighbours.

• (1615)

A woman is shot every six days in Canada. Firearms are the weapon of choice for spousal homicides. During the period between 1974 and 1992, 42 per cent of the women killed by their spouses were shot. As shattering as these statistics are they only account for part of the problem since Statistics Canada defines violence as experiences of physical or sexual assault. It does not touch upon other dimensions of violence to which many women are subjected.

Three other areas identified in the 1993 report "Changing the Landscape: Ending Violence—Achieving Equality" are psychological violence, being violence that encompasses various tactics to undermine a woman's self–confidence; financial violence whereby a woman's access to employment or investment opportunities are curtailed by a partner or family member; and spiritual abuse in which cultural and religious beliefs are destroyed through ridicule or punishment. A wide range of indicators give evidence that this societal ill is pervasive and systemic.

As a result women from all walks of life are targets of various acts of violence. Not only are the causes and the forms of violence against women extremely insidious but so too are their effects. Violence scars not only women but also the children and the men around them. It marks the body but also deeply wounds the mind and the spirit of those affected.

As a result of having been abused a woman's physical and/or mental health may be at stake. Her chances of advancement in her working life may be jeopardized and her interpersonal skills generally deteriorate.

As well as having these devastating effects on the women concerned, such violence is proven to seriously destabilize the children who witness it. Boys who are brought up in an abusive household are more likely to become violent fathers and girls are more likely to become victims at the hands of their future partners. In fact women with violent fathers–in–law are three times more at risk than those women with non–violent fathers–in–law. We have to stop these cycles.

As in other issues such as poverty and crime there will never be one Utopian legislative effort. There are no magic wands that can instantly eradicate the scourge of violence against women.

As with all complex issues there must be interdisciplinary approaches.

First, we must state what we stand for. Canada has done this internationally by initiating the UN declaration on the elimination of violence against women which was adopted in December 1993. For the first time internationally we have the appointment of a United Nations special rapporteur on violence against women who will report to the United Nations Commissioner of Human Rights starting March 1995.

Next we look at all levels of government agendas and incorporate concrete concepts that will move us toward the goal of ending violence against women. This will of necessity include increased public education.

Last April the Department of Canadian Heritage collaboratively launched a three year radio and television campaign on violence in society. In October 1994 the court challenges program was reinstated to ensure funding for legal cases of national significance which clarify equality and language rights under Canada's Constitution.

The sentencing reform bill is now being studied in committee which would assist in providing different options to deal with crime, including violence.

Earlier this year in the House I spoke on another bill with more than 100 amendments to the Criminal Code, including provisions that would make peace bonds more effective. For example, police officers will be able to apply for peace bonds on behalf of the women at risk.

The National Crime Prevention Council was established in July 1994. It will address women's vulnerability to crime as part of its mandate.

I believe that the firearms control being introduced will also effect safety in our homes and in our streets. A national firearms registry, the banning of certain firearms, including the one used in the Montreal massacre, and more flexible prohibition orders, will benefit women and should save lives.

Last June the federal, provincial and territorial ministers responsible for the status of women adopted the Regina declaration on the rights of women subjected to violence which calls on the justice system to ensure the equal protection of women subjected to violence. In the same month the federal justice minister, the federal health minister and the Secretary of State for the Status of Women held a consultation with women's groups on the issue of violence against women. Further consultation will continue. I believe that it must be ongoing if we are to succeed in overcoming this problem.

I am grateful that members of this House have been offered this opportunity to speak on the issue today.

• (1620)

My wish and my hope is that the sentiments expressed within this House today will carry us forward each and every day in our jobs as legislators so that we are ever mindful of the situation of women who experience violence in Canada. I believe we are progressing and I am grateful for that. However, there is much that can still be done.

I hope that individual Canadians listening today will continue to do their part in their homes, in their communities, and in our ridings.

The Deputy Speaker: The Chair views this as a very serious debate and would indicate that I recognized a member earlier who was in fact not on the list. I had misread the list and recognized the hon. member from the Bloc and gave him the floor which I should not have done.

[*Translation*]

I was told that there was an agreement between the two parties. Because I made a mistake, the Official Opposition is now willing to let four Liberals speak one after the other. Is it agreed?

Some hon. members: Agreed.

The Deputy Speaker: I am sure that, with this agreement, all the members who want to do so will speak this afternoon. I now recognize the hon. member for York—Simcoe.

[*English*]

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, I have a letter from a woman in my riding by the name of Sally. Sally has given me permission to make her letter public. Sally's letter speaks to the impact of violence on women and the resulting poverty they face. The letter was prepared for our Campaign 2000 meeting. Campaign 2000 is an umbrella organization comprised of many drawn together to fight child poverty.

"My name is Sally and I am the independent parent of two little girls. I am also a financially challenged recipient of family benefits. While I am grateful for the assistance I receive, I will say that I have become discouraged by the system's lack of insight and insensitivity to the roadblocks faced by myself and others on the road to financial independence.

"When I first became aware of Campaign 2000, the word poverty was a difficult one to envision in relation to my situation. Visions of starving children in third world countries leapt to mind. However, over time it has become increasingly difficult for me to meet my children's needs and systems and bureaucrats turn deaf ears in a country such as Canada. I have come to the brutal realization that I do indeed fall far below the poverty line.

"In making the decision to leave an extremely abusive situation and needing to enter a woman's shelter, my life and that of my children changed abruptly two years ago, now reduced to relying on a system where $1,028 per month is to cover living expenses being accommodation, phone and utilities. Clothing and feeding myself and my two daughters becomes a hard lesson in the realities of life for far too many children in Canada. Food bank? I can only go once a month if I

can get transportation. So, why not get a job? I have tried, but unfortunately I live in a rural area where one opening at a local store gets over 300 applications. Tough competition for a stay at home mom out of the workforce for seven years.

"Add in the problems of transportation and day care of an affordable nature and the picture becomes bleaker. So why not get some upgrading? Better your education. Again the obstacles of transportation, day care and waiting lists loom large.

"Support? For two years now I have struggled with a system of lawyers, legal aid and the family support person in trying to get some financial relief for my daughters. After this period I have succeeded in having $22,000 in legal aid liens placed against my home and an agreement from my husband to pay $100 a month support, that is $50 per child. Since this agreement in June of this year has been in effect and in spite of the fact that he makes $50,000 per year, I have not received any support from him.

"This person is also on probation for uttering death threats. Two provisions of his probation are (1) he must maintain his dependents. He has failed to do this. I have spoken with lawyers and his probation officer to try and enlist their help but my words fall on deaf ears.

• (1625)

"A second provision of his probation order is that he must seek and maintain employment. I'm now told he was laid off when he requested help from his probation officer in getting some relief. Despite that fact he still is seen at his work daily and despite that if he is in fact unemployed, that is the second breach of his probation. Still nothing is done.

"A third provision of his probation is that he remain 300 metres away from myself and my residence. He repeatedly breaks this provision. I have been again to his probation officer. I have been to her supervisor. I was told by a police officer that I was fabricating lies and thrown out of the police station by this officer. The police have been to my home repeatedly. One of the officer's comment was that until someone shows up with a bullet hole there's nothing that we can do.

"If you are wondering what the third provision has to do with poverty and the plight of my children, I'll tell you. The financial strain of repairing busted doors, windows, plumbing that's been drilled and cut, slashed tires, having a crowbar taken to the side of my vehicle and numerous other acts of vandalism begins to take its toll.

"The police have recommended doorbolts and deadlocks, expensive outdoor sensor lights. Well, for that you need money and hydro. A year ago in April after being unable to meet a payment deadline, the hydro to my home had been disconnected. It still remains so. Hydro tax–rolled my bill after running an original $800 bill up to over $1,700 with service charges and late payment charges. They also charged me for having their line and a hot water heater even though they cut their service off. They still come every three months to read a meter I no longer have and then service charge me.

"It was also explained to me that if I ever wanted Ontario Hydro back, I would pay for the lines to be reconnected plus they would require a $1,600 deposit. I would have phoned their head office, but in July of that same year Bell disconnected my phone for a $50 bill, despite the fact that they had required a $200 deposit from me, despite the fact that at that time I was in a women's shelter while the trial was going on against my husband. While he was out on bail he left his probation officer's office and came to my home to once again threaten my children and myself.

"In June of this year I received a call from the bank. Due to my husband's refusal to sign the mortgage renewal despite the court order that allowed me to reside in my home and add the fact that I'm on family benefits, I was told I had 30 days to vacate, despite the fact that I have faithfully paid the mortgage, taxes and now the hydro arrears. Another lawyer, another bill. I have one year to get this straightened out. Time is running out.

"I rely on your imagination and empathy to realize what effect all this has had on my two little girls. I say those magic words social assistance and watch human decency and respect fly out the window. Buy a car? Home improvement loan? Start a business? I can hear the bank manager's laughter still ringing in my ears. I almost gave up there and then.

"But I am here tonight because I owe it to my children to keep trying and hopefully one day someone will listen and changes will be made so my two daughters and all the other children in this nation of plenty will have a bright future.

"Thank you for listening".

It is my understanding that Sally is now in hiding away from her abusive and very violent husband. I hope that somehow someone will be able to get these words to her so she will know that her story has been told on the floor of the House of Commons.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, we have just heard a very touching story. It is upsetting to me because it shows that the proper laws are not in place to protect this person or that they are not enforced. Either case is totally unacceptable.

The member should let the justice minister know this is totally unacceptable and demand that either the proper laws are put in place or that the laws that are there are enforced. I would like the member to comment on that.

Mrs. Kraft Sloan: Mr. Speaker, I think it is very clear that in Sally's letter she has outlined a number of situations of institutional abuse.

• (1630)

It is very difficult when women are placed in this situation and they go to those people they feel should be protecting them, for example the police, and their charges are dismissed. They are told they are troublemakers. Part of the problem with this has to do with overall societal attitude.

The Minister of Justice is very sensitive to these issues. I have heard members opposite say that we should be concerned about violence against all people. I totally agree with that but somehow violence against women is a special category and they are being made a special interest group.

We have to understand that until we address the issue of violence against women as a particular kind of violence and the kinds of intimidation it creates for an entire group within this society, namely women, we will never be able to address the problems of institutional abuse. No matter how good our laws are unless the attitudes, the understanding and the sensitivities that are related to this very complex and devastating issue are understood these matters will not be addressed.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, on this national day of remembrance and action to end violence against women I believe we should not only remember this act once a year but throughout the year.

This House is well apprised of the statistics relating to the violence and abuse against women. These numbers represent those incidents which have been reported, the ones we know about. However, the number of violent and abusive incidents which have not been reported are even more frightening. It is a tidal wave which must be abated.

When safe houses must be established in urban areas and police must begin escorting women to their homes to claim sometimes only the clothing on their backs or to visit their children, then it is a sad testimony to the state of relationship deterioration between men and women as well as the new face that family life in Canada is taking. When we must stand up in this House and legislate against indecent abnormal behaviour then the time has come for action not only on the part of government but also individuals and corporations, all who live within our communities.

Violence is not some strange enigma which explodes from the ground in random procession. Its seeds are planted carefully years and even generations in advance. The images of violence children are exposed to on television and in society at large and the subsequent lessons they learn from parents sets in motion a cycle of learning aggressive behaviour which is as precise as clockwork.

If through this cycle we instil in our children a low sense of self–worth or never help them to build a sense of self–esteem their lives are threatened. This is extremely counterproductive and increasingly dangerous as they grow older and develop intimate relationships because under the threat of having self–worth challenged they will either withdraw or lash out. Unfortunately more often than not the males in society are prone to lashing out with anger while females tend to withdraw.

More often than not pressures are exerted from poverty, communication breakdown, community decay, alcohol and drug abuse, barrages of messages in the media to possess or acquire material goods in order to be relegated upward from a non–person status. All of these contribute to the already overwhelming pressures of rearing children and making choices in this day and age.

All too often the metaphor that when soldiers are not fighting on the front they are fighting in the camps can be applied to this appalling situation of violence against women and children. Many good decent people who start off in a relationship with the best of intentions end up watching with shock and horror as their relationship decays into verbal and physical abuse as individuals either lash out with threats or actual violence.

Why is this? The pressures of everyday life and finances draw a family's attention away from its primary goal: the establishment of family, roots and future to each other's personal performance and contribution in the relationship. When self–esteem is challenged there is either a withdrawal into separation and divorce or again lashing out in anger.

• (1635)

It is not the function and purpose of this government to interfere in the personal lives of Canadians. However, I believe we have a responsibility and we must make a conscious choice for the future on behalf of the family and on behalf of women and children specifically.

Programs and policies must be developed which provide not only for zero tolerance but also give teeth that will allow law enforcement to implement changes. This must be set as a last resort for those who cross the line, who choose not only to brutalize but to exploit women and children as well.

We must also change our view and our bias of interpersonal relationships. The laws we write must encourage protection of both the immediate and extended families. We must allow for dealing with potential abuse through caring professionals. A sense of community and personal accountability must be developed in the inner cities.

Finally, we must not only begin to communicate but we must also listen. I would venture to say that the 63 women who were murdered in 1993 fell prey to a person who was already in a state of detachment and isolation. If only there had been in existence a network of people with whom these spouses could talk openly

and honestly about their situation. We know that open and honest communication is not a prelude to murder.

Again there must be communication in our society not only among our peers but outside our comfort zone as well. Parents must start talking to their children, grandparents with grandchildren, men with women, and labour with management.

I fear that if the tide does not turn on this problem, if we do not start honestly communicating in a fashion that will solve rather than dissolve our relationships, then we as a society will be so distrustful that our internal growth will cease and Canadian families will continue to perish and die.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I would like to comment on my colleague's excellent articulation. I thank her for her thoughts. I would like to share a few of my thoughts by way of comment.

Violence against women in a real sense is an insult to life. It is an indignity to our core Canadian values. As well it is a challenge to peace, order and good government.

The incidents mentioned are staggering, but the real concern of course are the people who are affected the most: orphaned children, grieving families and the suffering of the whole community.

I congratulate the member for her participation. It is hoped that violence against women which happened in the past and continues to happen will not happen in the future.

Mrs. Brushett: Mr. Speaker, I thank the hon. member for his comments. As he has said, this does go beyond women, men and children. It is a community. Life in my estimation is a process of human relationships. The process of living is developing and sharing those relationships. Those relationships are what accumulate to make up the family which in turn makes up the community.

I believe as the hon. member does that violence against any person is a violation of the dignity of human life. Human life is at the bottom of the foundation of all things we must respect in our communities.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, when I heard of today's debate, I naturally thought about the victims at l'École polytechnique, but I also thought about all the other victims of violence, about the 300 and some women who have died in violent incidents since 1989, and about the thousands of women who face various acts of violence every day. It is important to see this situation, not necessarily as a particularly atrocious fact, but as a situation prevailing throughout our society, which has led to unacceptable behaviours and to which we must give priority so that Quebec society, Canadian society can be held up as an example of a violence free society.

• (1640)

Part of the problem we are facing can be found in this House today: all members are denouncing violence and saying that we must take the right measures to prevent such incidents from happening again in the future, but we encounter the same problem in society.

Violence is often a problem, partly because we do not talk about the reality, the fact that people are affected. Victims of violence are not allowed to speak out, so they can overcome their fears and get on with their lives after going through a period of violence. For example, violent men have few opportunities to express who they are and release this negative energy, so that they can clean up their act and allow the situation to evolve.

That is why, in considering what I expected from this debate, I thought a great deal about my children, my two daughters, Audrey and Maude, and my son, Renaud, because it is for them that we are trying to build a different society.

When we read stories about how violence is perpetuated, we see that some behaviours are often passed on from father to son or from mother to daughter and that even abusers are not necessarily aware of their violent tendencies. As I said earlier, we must hold a public debate on the subject and initiate a dialogue that will enable us to correct these situations.

Some specific ways to promote this dialogue are by supporting women's centres or groups that look after violent men, because you may have the best intentions in the world, but if you do not have the energy and resources needed for these discussions to go on, they will not take place and we will inherit the negative results, as we have for a long time, with tragic events like what happened at l'École polytechnique and all the tragic events that we learn about and which we hear reported as anecdotes; repression is suggested as the way to deal with them, but I think that repression is a last resort to prevent physical violence.

Of course, we must eliminate violence by properly controlling firearms and all other instruments of violence; we must control them to prevent a recurrence of events like those at l'École polytechnique. But at the same time, we must look further and see what is behind this event and find out what caused it.

We realize that conjugal violence and violence in general is a complex phenomenon because it involves not only poor families, middle class families or rich families. Domestic violence occurs in all classes of society and we must find ways to correct this problem.

Earlier, I talked about creating proper conditions. However, many people in our society have basic needs that are not met, for education, family income, child care, equity in social programs; also, the new types of families in our society do not have the support services they need. Single–parent families and blended families experience completely new situations to which our social programs are not necessarily suited.

I would also say that violence has a subversive aspect, a rather perverse aspect due to the inequality between men and women in terms of employment and career opportunities.

• (1645)

This perpetuates the feeling of inequality, and often allows some men to establish relations in which women are dependent, thus creating a situation which can potentially lead to violence. But there is not only physical violence; there are many other forms of violence.

Consequently, it is important to do prevention from the time a child is born, since the way that child will develop will influence, to a degree, his perception of things. We must ensure that families can give birth to children in acceptable conditions, feed them properly and provide them with all the necessary elements to grow and build their self–esteem, so as to help them develop respect for their fellow citizens, members of the opposite sex and friends, as well as relations based on mutual respect instead of dependency.

Clearly, we must launch an attack on several fronts. We are faced with a situation similar to that of child poverty, in the sense that a preventive and comprehensive strategy is required to end violence, but we also need ad hoc measures to deal with emergencies.

It is also important to look at what can be done during the various stages of a child's development to curb the tendency to resort to violence. Do we grant adequate maternity leave to all Canadian women, so that they can give birth in proper conditions? If these women are single parents situation, do they have adequate financial resources to live in acceptable conditions?

Later on, when a child is growing, does he benefit from adequate daycare services? Are there not people right now who would like to have access to such services to help their children develop in a proper environment? Do we not stereotype people increasingly?

Children born in relatively well off families that can afford privately funded quality daycare will receive a more stable education. These children will develop more self–confidence. On the other hand, there are those who are trapped in the vicious circle of financial dependency and can see no way out. So we have to work to ensure that equal opportunities become more prevalent, so that 20 or 25 years from now, changes will be noticeable, with less violence and fewer groups living in conditions conducive to violence.

Then there is school and career. If women go back to experiencing difficulty in finding employment and to being in a position of inferiority in the jobs that they do get, if they cannot have access to university careers, if we fail to eliminate stereotypes in that regard, we help perpetuate the existing climate.

On that subject, choices must be made—they are still under consideration—concerning the social security reform for example. Students could have to take full responsibility for their loans. This means that they will have much higher debts to pay off when they graduate. And it would be unfair to women who would choose to start a family.

Specific measures such as these do not have a direct bearing on dramatic acts of violence, but nevertheless add to the set of conditions which eventually lead to violence.

• (1650)

I would also like to see that, later in life, women who have grown up and become adults are able to start a family and have children in acceptable conditions, so that they do not find themselves in a situation where they themselves could become violent toward their children because we have failed to put in place an adequate social system to enable them to raise them in decent conditions.

This whole debate on violence is a societal issue and, perhaps it should also be pointed out, an individual issue. Because somewhere we have to take a good look at ourselves and at our own behaviour. I think that if this debate made all Quebecers or all Canadians take a moment of their evening to think about and discuss potential sources of violence in their environments, as well as individual behaviours which could be corrected, and the need to adapt, we could say that we helped reduce the opportunities for violence in our society. I think that this would be a good response to today's debate. It is up to each one of us.

This is also a government responsibility. A review is under way. The Minister of Justice spoke earlier about a series of measures that have been or will be taken, but important choices must be made regarding the resources to be allocated to the various programs, the approach to this problem, and I think that the results will show how successful our efforts were. This government must take concrete actions that will bring about some improvement in the situation and make our society better before the new millennium rolls around.

When we commemorate again in five or ten years the terrible event that occurred at l'École polytechnique, instead of talking about the negative side of the current situation, we will at least be able to tell all those who were made aware of the issue of violence by this event, all those who made a contribution, all the women who circulated petitions until a gun control law was passed, that the mission has been accomplished. We will have

succeeded in reducing violence in our society, and this may be the best test.

[*English*]

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I think this afternoon in this debate that many of us are in agreement. We in this House are very disturbed and share the sense of horror at the events that took place five years ago today. When we hear of these kinds of actions and hear about human suffering, we think of ourselves in those moments as one family, that it is one of our family who is suffering.

I want to ask the member a question. It seems to me that he mentioned that social conditions are very important to people who may become violent in their lives. I wonder what he feels is the role of the economy. Does he feel that a weakened or a stronger economy that may have some impact on these sensitive issues?

[*Translation*]

Mr. Crête: Mr. Speaker, I think that is an excellent question and I discussed it a little in my presentation when I talked about employment. Yes, I think that if this country had an active job creation policy for using our human resources to their full potential, it would mean that every man and every woman in our society could make his or her contribution to it.

• (1655)

An active employment policy would mean that we would care more about the whole social aspect, because our society now often tends to emphasize productivity as an end in itself, although Canadian society, despite its faults, has still developed some values like compassion.

In this day and age, we should avoid following the American model blindly; we see the results they have obtained in terms of violence. They are our southern neighbours and we can see it right away. I think that is what haunts us in actions like the terrible event at l'École polytechnique, as someone said in an article in *Le Devoir* today. The writer saw it as an indication of what we might see, which is more commonly associated with the United States.

I think that to counter that, to get back to the hon. member's question, yes, if the economy works well, if people work, if they pay taxes, we will be able to have a better distribution of justice. I think that is a contribution which this government could and should make in particular when it will have to adjust its reform of social programs to respond more closely to the representations made to it by many groups across Canada.

[*English*]

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, very quickly to the hon. member for Kamouraska—Rivière-du-Loup. He spoke with great integrity about women, the difficulty of developing careers and raising families, and the need almost to be a super human being, to do it all and to do it well with grace, dignity and respect for the children and family.

What role do you believe that men play in the lives of sharing some of the responsibilities of child nurturing and rearing so that some of that pressure is relieved from the women in our society?

The Deputy Speaker: Unless members want to hear from the Speaker I would ask them to put questions through the Chair.

[*Translation*]

Mr. Crête: Mr. Speaker, I have a great interest in this issue, considering that with our work schedule as members of Parliament, it might be very tempting to adopt the traditional role of the father. That being said, as a man, I can only pay tribute to the hon. member for her work with children.

One of the main things we can do is to act as men and parents who believe in a different model than the traditional one, a model based on respect for young girls and women, based on the belief that they deserve the same opportunities as men to develop their potential, and also based on real support in every day life, whenever possible.

In the case of families where both spouses are often together, I believe in sharing chores. It is also important—and that goes for every family—to discuss problems and other issues such as spousal abuse, because these things do exist. For example, if we witness this type of violence on TV, it may be good to discuss it for a minute, instead of quickly switching channels.

I also think that when half of the seats in this House will be filled by women, our institution will more balanced and will pass better laws which will take into account to an even greater degree what must be done to have new views on success and power.

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Malpeque—Trade; the hon. member for London West—Violence Against Women; the hon. member for Berthier—Montcalm—Canadian Security Intelligence Service.

• (1700)

[*English*]

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, today I rise to commemorate the infamous day of December 6, 1989. The national horror is incomprehensible, for there are no simple answers, no easy inferences to be drawn. We have an atmosphere of our times which seems to reflect a violent society. It is seen that our crime rates reflect a national psychology. At times listening to what is put forward as fact in the

House reflects a mood that could kill the soul, for we are so adversarial both in the House and in the community.

As a former worker in the criminal justice system, I dealt too frequently with both the offender and the offended. Violence lessens us all in society. We as a society are all responsible for the permissiveness in general and our lack of courage as a community to denounce perpetrators.

I concur with what has been said in the House today but, with due respect for this day, we must also recognize community trends. In the past crime was far from being an equal opportunity employer between the sexes, but the gap appears to be closing. Although five men were charged with criminal offences last year for every woman charged, a decade ago the proportion was seven to one. A similar trend is apparent in the United States where statistics show that the male:female arrest ratio in 1992 had declined to just over four to one.

Nowhere is the change more pronounced than in violent crime. In 1981 the ratio of men to women charged with crimes in this category which runs the gamut from threatening violence to cold blooded murder was almost nine to one.

People who specialize in the study of crime say that statistics may also reflect a democratizing trend in the application of criminal justice. Maybe it is the end of chivalry. Studies have found differences in the way the criminal justice system historically has treated men and women. For instance, in the U.S. the death penalty has been much less likely to be imposed on a woman.

Another possible explanation is that women are more likely to be charged today because society's growing intolerance of violence means that more people in general are being charged with low level violent crimes such as threatening.

To the extent that women commit less serious violent crimes, there would be a bigger percentage increase. Statistics indicate that 62 per cent of women charged with violent offences involve assaults at the lowest level compared with 55 per cent of men charged.

The fascinating question then is whether women are in fact becoming more criminally active. It is possible the trend is now surfacing in the newer data since there have been indications that the gender gap in crime is closing faster for young women.

A definitive answer would require following the police around and seeing under what circumstances they lay charges. There has been an enormous amount of discretion in the criminal justice system that has tended to screen out charges against women at the street level.

We really do not know what it means until we start looking at specific categories of crime. Does this reflect a real increase in violence or in property crime, or does it reflect a difference in the way in which our legal system processes crime? It is probably a mix of the two: some real change in behaviour and some change about how we count the numbers.

It is important to look at the numbers because our beliefs and then perhaps our legislative responses are affected by what we think is true. The veracity of statistics is fundamental to our beliefs which then brings action.

On November 19 of last year the news media across Canada led with the shocking results of a major Statistics Canada survey. "Fifty per cent of women report assaults", read the headline. "Ground breaking StatsCan survey finds violence pervasive". The findings on wife assault were horrifying: 29 per cent of women who had ever been married reported being assaulted by a current or previous husband. That would mean a staggering 2.6 million Canadian women have been the victims of wife assault.

Other news sources reported the story in much the same way. *Maclean's* magazine quoted a woman who "used to wake up with a knife at my throat. Maybe now people will believe it".

Women's groups expressed outrage. Social services groups said the survey proved how endemic violence is in our society. A federal cabinet minister pledged to meet with women's groups to launch a national campaign to combat violence against women. Commentators, male and female, cited examples of the dangers that women routinely face in daily life. We have heard many of those sentiments today in the House, but I must give at least a murmur of dissent and provide balance so we may move forward more resolutely.

The national survey was delivered with all the credibility of StatsCan behind it. Officials billed it as the most comprehensive of its kind ever conducted in Canada. It cost $1.9 million. It included 12,300 women and, the clincher, its finding included only physical or sexual acts that could result in criminal charges.

No one in the mainstream media did a critical analysis of the StatsCan's findings or compared them with the most authoritative work on the subject undertaken in the United States.

• (1705)

Let us start with the Criminal Code. A StatsCan survey says:

> Violence in this survey is defined as experiences of physical and sexual assault that are consistent with legal definitions of these offences and could be acted upon by a police officer.

This turns out to cast a very wide net indeed. It includes offences known in police jargon as level one. Examples could be a neighbour who yells a threat across the back fence or a stranger

who makes a belligerent remark on the street. Any remark or gesture perceived by the person on the receiving end as a threat can qualify as a level one offence.

The most common form of violence, the survey says, is wife assault. In calculating the rate of wife assault it classifies many domestic encounters as violent that most people would not. These include behaviours that do not involve physical contact such as threats and throwing things. Then comes minor contact: pushing, grabbing and shoving. The survey summary, which is as far as most reporters read, lumps all these things together with actions that anyone would agree are clearly violent: beating, hitting with an object, choking, sexual assault or using a knife or a gun to threaten or injure. Throwing a plate has the same weight as a knife attack.

How many women who are or have been married reported incidents that are clearly violent? The answers: 11 per cent say that they have been kicked or hit with a fist; 9 per cent say they have been beaten up; 7 per cent choked; 6 per cent hit with something; and 5 per cent threatened or attacked with a knife or a gun. Because multiple responses are allowed there is a heavy overlap among those answers. They also refer overwhelmingly to former, not current spouses.

StatsCan borrowed its questions on wife assault from extensive U.S. surveys conducted by Richard Gelles and Murray Straus for the National Institute of Mental Health. This work is regarded as a benchmark. Unlike the StatsCan survey, it breaks out the results in a way that distinguishes between minor violence, no injuries or little intimidation, and severe violence, kicking, hitting and worse.

Messrs. Gelles and Straus found that domestic violence, mostly grabbing, shoving and hitting, occurs 16 per cent in U.S. families and that between 3 and 4 per cent of women have suffered at least one act of severe violence by their partners.

Wife assault is a national problem and a deep social evil in Canada. We should do everything to stop it, but this does not afflict nearly one–third of Canadian wives as some news reports said, 29 per cent as StatsCan said, or 2.6 million women.

No one, neither the surveyors nor the media, that reported their conclusions had any intention of misleading the public. They were conscientiously doing their job of spotting and documenting social change. However, if they had drawn a more reasonable conclusion from the violence data—rates of spouse abuse probably have not changed much in the past 30 years and most wives with abusive husbands get a divorce—there would be no real headlines and not much justification for their existence.

Instead the sensational findings dug yet another deep trench between the sexes with their inescapable implication that not just tens of thousands but millions of Canadian men are domestic thugs. Do members of the House really believe this? I do not. Most men were socialized from childhood to defer to girls in play and boys hitting little girls is more severely denounced. That was the character of our social history.

Finally, if we do not have an accurate view of the problem, how can we hope to arrive at the best policies to address it? Surely we do not need to exaggerate the numbers in order to make the case that family violence and violence against anyone is a corrosive social ill?

Surely we do not need to induce national moral panic in order to get attention and action, but many women believe that we do and so they may be upset. Many women believe that the StatsCan survey captures some larger psychological truth about the myriad subtle ways in which women continue to be devalued in the world. The trouble is that there are many important things StatsCan just cannot measure, and it should not try.

We know that more women than men are responsible for child abuse. In domestic conflict more women than men are likely to resort to using a weapon against a spouse. The conclusion about what men or women are doing is not the point. The point is that there is just too much violence. We must all collectively share responsibility for the violence on TV, movies and magazines. The media reflects ratings of what sells. The media are not totally to blame, for they reflect the worst aspects of our society.

The Montreal tragedy, remembered today, will not be forgotten. We can find a vision of a new Canada where a rejection of violence both overt and implied is how we will live.

• (1710)

We must denounce violence and the excuses for it such as intoxication defences or freedom of expression in the performing arts and the mass media. We especially remember today the loved ones of the victims of violence. We must all commit to live to a higher standard where conflict resolution and frustrations are kept under self–control. We each must resolve to live a kinder and gentler life that makes pandering to violence uneconomic for its sellers.

We affirm the positive and resolve to pass on to our children a clear sense of values that preclude thoughts of violence. I have a vision of Canada that we can build, where we can live in peace, restore broken relationships, yet strongly defend our ideals.

Ms. Colleen Beaumier (Brampton, Lib.): Mr. Speaker, I vowed I would never do this but I listened to the members across the way and I wondered if their lack of discomfort is really the issue.

I knew a young woman 25 years ago who was raped. She did not report it because 25 years ago women could run faster with their skirts up than men could with their pants down. I knew a woman 25 years ago who was beaten by her husband. She was sent to hospital. She did not report it because it was a shame that

she had chosen that poorly and obviously she was beaten because she deserved it; she must have irritated him.

Because of our actions, because of the noise and because of the circumstances of today, women can do that. This woman was not included in that survey. I was that woman. As much as I realize that we have to get a balance, it is also an issue we must address. We must stand together.

Does the hon. member think that today's incidents are perhaps recurring more frequently or that we have now lost our shame and are able to report them?

Mr. Forseth: Mr. Speaker, I believe we are in a violent society. We must do everything we can within our own purview, within our own families, to make sure we do not act in a violent way. It begins in a small manner with even the frustration of being at a stoplight and thinking about the car next to you or the one that has cut you off.

I was trying to emphasize today that when we see statistics, let us make sure we have an accurate analysis of them so we can move forward resolutely with appropriate social policy.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, what I just heard is simply absurd. I think the hon. member of the Reform Party needs a good dose of real life.

He quoted statistics and figures, and meanwhile, some terrible things are happening, and the hon. member of the Reform Party does not see anything at all. I wonder whether people come and see him at his riding office and whether he ever had specific cases involving battered women and women who were unemployed and had children who did not get anything to eat for breakfast.

In my riding, I see this regularly. In my riding, we have two shelters for battered women and only 20 spaces altogether. We do not have enough locations to help these women.

I would appreciate it if the hon. member would tell me if in his own riding he sees these people and really tries to help them instead of trotting out figures and statistics like he is doing now, information that to me is absolutely irrelevant. I see what is going on in my riding, and I must say it is not a pretty picture.

When we have a recession like the one we have just been through, guess what happens? The crime rate goes up, and women and children pay the price. I cannot believe that everything is just fine in his riding because of these statistics. I hope that when he gets back to his riding on the weekend, his wife will forgive him for the speech he made here in the House.

• (1715)

[*English*]

Mr. Forseth: Mr. Speaker, here is another fine example of what I talked about, why we are so adversarial in this House, where someone's words are willingly twisted.

If it is an issue of personal credibility, I spent my career of 22 years in the criminal justice system dealing with those people most in need and in time of crisis when in conflict with one another, be it an offender or an offended.

I spent all Saturday night riding with the local police in my riding, looking at the difficulty of conflict resolution and the kinds of things they have to deal with.

If we in this House are going to deal properly with the issues of the day, the various studies that are bantered around by members of this House and as was mentioned today by so many speakers, the StatsCanada study, then we must look carefully and make sure we read and draw the appropriate conclusions from those studies.

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, the hon. member made mention of the fact that there is a greater involvement of women in crime. He cited errors in the study done with respect to the incidence of violence against women. He stated that more women commit child abuse than men. I find that all of these statements are made to minimize and trivialize violent acts against women.

When we think about what happened a number of years ago on this day, we must remember today what damage violence against women in our society does and we ought not to speak in such a manner as to trivialize and minimize it and make it an excusable type of behaviour.

I want to ask the hon. member if he still feels that these types of remarks under these circumstances are justified.

Mr. Forseth: Mr. Speaker, the member gets a little emotional when he hears the truth.

Throughout the day certain statements were made and it is appropriate to provide a balancing alternate view without taking any of my words and twisting them to somehow diminish or demean the conflict and the social trouble we have out there and the level of violence which is unacceptable in our society.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, it is difficult for me to simply start into my text when I have been faced with the address we just heard in this House. I have to say that if education is the answer to many of the ailments in our society and if the problems we have are problems of ignorance, we need to spend a great deal more money and a great deal more time educating people so that attitudes such as those that were just reflected do not become prevalent in our society.

When I stand on this side of the House and I look across at so many middle aged, middle class white male faces and hear the kind of venom that was just spewed I have to react strongly.

One woman is shot dead every six days in Canada on average. On December 6, 1989, 14 women were wiped out with bullets in just a few minutes.

Others have risen in this House from the other quarters today to recognize these women, to remember their lives, to mourn them and in their name to look toward a time of hope when violence will be a thing of the past.

One woman is shot dead with a bullet every six days in our country. A woman is nine times as likely to be killed by her spouse as by a stranger. They do not just use bullets. They beat them, stab them and suffocate them.

• (1720)

Some want to talk about statistics. Some want to talk about women engaging in crime. Women are violated and abused because of an attitude in our society that suppresses women and that seeks to continue to suppress women even though it is 1994, even though we are moving toward the 21st century, even though women are in the political leadership of our country, in the business leadership of our country and in the parenting leadership of our country; even though women have struggled and continue to struggle to make the same salary as their male counterparts and even though women continue today to lead single parent families from a position of poverty.

Life is very simple on the other side of the House. Those members would like to arm us all. They would like to cut $15 billion out of our social programs with no priorities. They would like to suggest that statistics in the most comprehensive study that has ever been done on violence against women in Canada are eschewed because they do not like the sound of them. Life is not that simple.

We have tremendous problems in this country. We have people who want to help. They want to help women, children and yes, they even want to help white, middle aged, middle class men to have a better life. We do it by bringing prosperity to this country, jobs to this country, by observing the precepts of the Charter of Rights of Freedoms and by following the rule of law. We do it by treating other human lives with the dignity that they deserve and by remembering respectfully, very seriously and very intently the lives of women like the 14 at l'École polytechnique that were lost because our society is less than perfect.

This Friday evening I will return to Windsor—St. Clair and I will join former colleagues, colleagues who are also great and tremendous friends of mine in Windsor. We will have a little Christmas cheer but we are going to do so as persons joined, friends and colleagues united in a cause, a cause which is very important in my community which is the support and the perpetuation of the programs and the spirit of a place called Hiatus House.

Hiatus House is an interval home in Windsor, a transition home for battered women and their children. It is a home that, in spite of what my friends opposite think, is always full, always has a waiting list and does wonders in our community. Hiatus House operates under the guidance and direction of Donna Miller, executive director. I am proud to say that she is a friend of mine and I am also happy to tell this country, through this House, that she is a visionary as are many women and men who work in this field.

This is an incredible place. This is a place that pioneered transition homes in Canada. It pioneered special programs for the children of battered women. It has also pioneered a program called "Fresh Start" which is a program designed for the treatment of spouses who batter, of men who batter their wives and children.

It is a transition home that faces the ugly realities that these people live with and that tries so hard to put these people back together in one piece again, to break the cycle of domestic violence.

• (1725)

I am proud to stand today as the member for Windsor—St. Clair to talk about Hiatus House. I wish I could have spent more time at it but I felt compelled to comment on other things.

December 6 can never be forgotten by Canadians. It can never be forgotten because there are still Canadians who are oppressed. There are still Canadians who are repressed and there are still Canadians who are not white, middle aged, middle class males who make $64,000 a year.

As long as those people are suppressed, as long as our greater political and societal structure is such that there are people who are less equal, then I think we have an obligation to continue. I am proud to be part of this government. I am proud to follow a leader who believes in these principles and I am proud to be on this side of the House even if talking about those principles means that one has to be hackled.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I certainly appreciate what the hon. member was saying. I too helped to set up a crisis house. I donated money, time and energy to do that because I think it is important. We need to do more of that. It is too bad we have to have them.

She talked about the jobless, the economy, et cetera. We go back as far as the depression. During the time of the depression when the economy could not have been worse and jobs could not have been worse, amazingly enough on a per capita basis that was when there was the least amount of crime. That can be

checked. If one denies it to be true, it can be checked. One will find that is the case.

I remember maybe 40 years ago when there was respect that was really taught. I was about that age when my father would have a fit if I did not show a little more respect, particularly to the opposite sex in terms of helping them when they needed it. Opening doors was a common practice and things of this nature. We did not swear in front of a woman because it was not an acceptable thing to do.

This violence against women is abhorrent. It really is, believe you me. I believe that. I am trying to figure out what in the world brought us to this point? What is it that has advanced us so far along the line that causes men to do the things they do to women? Please do not point a finger at me because I have not laid a hand on a woman in my entire life.

Ms. Cohen: Mr. Speaker, that is quite an opening. I am going to resist. I have no doubt that the member for Wild Rose believes everything he just said. I have no doubt that he abhors violence against women. The problem I have is this difficulty in seeing the bigger picture, this tremendous desire for the quick fix, for the simple solution that I see in his party's policies.

In the dirty thirties women were victimized in the same way, perhaps worse than they are now. The problem is that in the thirties the culture was such that they did not report it. They were afraid to. They thought it was their place to take this. They thought they had to put up with it.

Times have changed. Unfortunately some people have not changed with the times and some people refuse to accept that women have a place in society. We are not a special interest group. We do not want a privileged position. We just want to be equal.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, in the space of a couple of centuries women have advanced from being chattels to being real persons and now in the pantheon of the politically correct back to being mere victims.

I find this extraordinarily offensive and I think it demeans women. Women are people and should be treated as such. Violence exists throughout society. It is symptomatic of an alarming loss of civility, traditional values which have gone down the pipe.

Talk about women being victimized in the thirties. I am old enough that I can remember those times. Yes, spousal abuse went on in those days but when it did anyone who took part in that sort of activity was (a) socially ostracized or (b) stood a very good chance of getting the socks beaten off him by the abused woman's brothers, father, cousins, uncles and so on. This was commonly done.

You don't know; you were not there, madam.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I will be brief. In the pantheon of the politically correct, sir, may I say that I do know. I was there, and you are wrong.

* * *

[*Translation*]

DEPARTMENT OF INDUSTRY ACT

The House resumed from December 1, consideration of Bill C–46, an act to establish the Department of Industry and to amend and repeal certain other acts, as reported (with amendments) from the committee.

The Deputy Speaker: It being 5.30 p.m., pursuant to the order made Thursday, December 1 1994, the House will now proceed to the taking of the deferred divisions at the report stage of Bill C–46, an act to establish the Department of Industry and to amend and repeal certain other acts.

Call in the members.

• (1750)

And the division bells having rung:

The Deputy Speaker: The first question will be on Motion No. 1.

(The House divided on Motion No. 1, which was negatived on the following division:)

(*Division No. 123*)

YEAS

Members

Asselin
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bélisle
Caron
Crête
Debien
Duceppe
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Marchand
Ménard
Picard (Drummond)
Pomerleau
St-Laurent

Bellehumeur
Bernier (Gaspé)
Brien
Canuel
Chrétien (Frontenac)
Dalphond-Guiral
Deshaies
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Loubier
Mercier
Nunez
Plamondon
Sauvageau
Tremblay (Rosemont)—40

NAYS

Members

Abbott
Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing
Baker
Barnes
Bellemare
Berger
Bethel
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Oakville—Milton)
Bryden
Caccia
Campbell

Adams
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bernier (Bëauce)
Blaikie
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brushett
Bélair
Calder
Cannis

Catterall	Chamberlain
Chan	Chatters
Clancy	Cohen
Collins	Copps
Cowling	Culbert
Cummins	de Jong
DeVillers	Dhaliwal
Dingwall	Dromisky
Duncan	Dupuy
Easter	Eggleton
English	Epp
Finestone	Finlay
Flis	Fontana
Forseth	Frazer
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway	Godfrey
Goodale	Graham
Gray (Windsor West)	Grey (Beaver River)
Grose	Grubel
Guarnieri	Hanger
Hanrahan	Harb
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Harvard	Hayes
Hermanson	Hoeppner
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jennings
Jordan	Karygiannis
Kerpan	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
Lee	Loney
MacAulay	MacLaren (Etobicoke North)
MacLellan (Cape/Cap Breton—The Sydneys)	Malhi
Maloney	Manley
Manning	Marleau
Martin (Esquimalt—Juan de Fuca)	Martin (LaSalle—Émard)
Massé	Mayfield
McClelland (Edmonton Southwest)	McGuire
McKinnon	McLaughlin
McLellan (Edmonton Northwest)	McWhinney
Meredith	Mifflin
Milliken	Mills (Broadview—Greenwood)
Mills (Red Deer)	Mitchell
Morrison	Murphy
Murray	Nault
O'Brien	Pagtakhan
Parrish	Patry
Payne	Penson
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Ramsay	Reed
Regan	Rideout
Ringuette-Maltais	Robichaud
Robinson	Rock
Rompkey	Schmidt
Serré	Shepherd
Sheridan	Silye
Skoke	Solberg
Solomon	Speaker
Speller	St. Denis
Steckle	Stewart (Brant)
Stinson	Strahl
Szabo	Taylor
Terrana	Thalheimer
Thompson	Tobin
Torsney	Ur
Vanclief	Verran
Volpe	Walker
Wappel	Wayne
Wells	Whelan
Williams	Zed—182

PAIRED MEMBERS

Bachand	Bouchard
Chrétien (Saint-Maurice)	Collins
Daviault	Dubé
Duhamel	Dumas
Gerrard	Harper (Churchill)
Lalonde	Lavigne (Verdun—Saint-Paul)
Lefebvre	Leroux (Shefford)
Minna	O'Reilly
Ouellet	Paré
Rocheleau	Telegdi
Tremblay (Rimouski—Témiscouata)	Valeri
Venne	Wood
Young	de Savoye

• (1800)

The Deputy Speaker: I declare the motion lost.

[*English*]

The next question is on Motion No. 2. A vote on Motion No. 2 also applies to Motions Nos. 4, 5, 6 and 7. An affirmative vote on Motion No. 2 obviates the need for a vote on Motions Nos. 3, 6 and 8. A negative vote on Motion No. 2 necessitates a vote on Motion No. 3.

[*Translation*]

The vote on Motion No. 3 also applies to Motions Nos. 6 and 8.

The next question is on Motion No. 2, standing in the name of the hon. member for Richmond—Wolfe.

[*English*]

Mr. Boudria: Mr. Speaker, I think that you would find unanimous consent to apply the vote just taken on Motion No. 1 to Motion No. 2.

[*Translation*]

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 123.*]

The Deputy Speaker: I declare Motion No. 2 lost. Consequently Motions Nos. 4, 5 and 7 are lost.

[*English*]

The next question is on Motion No. 3.

Mr. Solomon: Mr. Speaker, as the whip for the New Democratic Party caucus the New Democratic Party members present in the House vote yea for Motion No. 5.

The Deputy Speaker: We will come to that shortly.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that the whips or representatives from each party could rise and indicate how their colleagues who had voted on the previous vote would be applied as voting on the present vote. In terms of Liberal members, Liberal members will be voting nay along with the hon. member for Beauce on Motion No. 3.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the Bloc Quebecois members will be voting nay on this motion.

[*English*]

Mr. Silye: Mr. Speaker, the members of the Reform Party who are present today will vote yea unless there are those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, the members of the New Democratic Party who are present today vote no on Motion No. 3.

• (1805)

Mrs. Wayne: Mr. Speaker, as the whip for the PC Party, all PC members present tonight will be voting nay.

(The House divided on Motion No. 3, which was negatived on the following division:)

(Division No. 124)

YEAS

Members

Abbott
Breitkreuz (Yellowhead)
Chatters
Duncan
Forseth
Grey (Beaver River)
Hanger
Harper (Calgary West)
Harris
Hayes
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Schmidt
Solberg
Stinson
Thompson

Benoit
Breitkreuz (Yorkton—Melville)
Cummins
Epp
Frazer
Grubel
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Jennings
Manning
Mayfield
Meredith
Morrison
Ramsay
Silye
Speaker
Strahl
Williams—40

NAYS

Members

Adams
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing
Baker
Barnes
Bellehumeur
Berger
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Blaikie
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Caron
Chamberlain
Chrétien (Frontenac)
Cohen
Copps
Crête
Dalphond-Guiral
de Jong
DeVillers
Dingwall
Duceppe
Easter
English
Finestone

Althouse
Arseneault
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bergeron
Bernier (Gaspé)
Bethel
Blondin-Andrew
Bonin
Brien
Brushett
Bélair
Caccia
Campbell
Canuel
Catterall
Chan
Clancy
Collins
Cowling
Culbert
Debien
Deshaies
Dhaliwal
Dromisky
Dupuy
Eggleton
Fillion
Finlay

Flis
Fry
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Grose
Guay
Harb
Hopkins
Ianno
Irwin
Jordan
Keyes
Knutson
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
MacLaren (Etobicoke North)
Malhi
Manley
Marleau
Massé
McKinnon
McLellan (Edmonton Northwest)
Mercier
Milliken
Mitchell
Murray
Nault
O'Brien
Parrish
Payne
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Reed
Rideout
Robichaud
Rock
Sauvageau
Shepherd
Skoke
Speller
St. Denis
Stewart (Brant)
Taylor
Thalheimer
Torsney
Ur
Verran
Walker
Wayne
Whelan

Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hubbard
Iftody
Jacob
Karygiannis
Kirkby
Kraft Sloan
Langlois
Laurin
Lebel
Lee
Loney
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marchand
Martin (LaSalle—Émard)
McGuire
McLaughlin
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Murphy
Ménard
Nunez
Pagtakhan
Patry
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Proud
Regan
Ringuette-Maltais
Robinson
Rompkey
Serré
Sheridan
Solomon
St-Laurent
Steckle
Szabo
Terrana
Tobin
Tremblay (Rosemont)
Vanclief
Volpe
Wappel
Wells
Zed—182

PAIRED MEMBERS

Bachand
Chrétien (Saint-Maurice)
Daviault
Duhamel
Gerrard
Lalonde
Lefebvre
Minna
Ouellet
Rocheleau
Tremblay (Rimouski—Témiscouata)
Venne
Young

Bouchard
Collins
Dubé
Dumas
Harper (Churchill)
Lavigne (Verdun—Saint-Paul)
Leroux (Shefford)
O'Reilly
Paré
Telegdi
Valeri
Wood
de Savoye

The Deputy Speaker: I declare the motion lost.

[*Translation*]

The next question is on Motion No. 9.

[*English*]

Mr. Boudria: Mr. Speaker, I think you will find unanimous consent to apply the vote just taken on Motion No. 3 to report stage Motion No. 9.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[Editor's Note: See list under Division No. 124.]

The Deputy Speaker: I declare the motion lost.

The next question is on Motion No. 10.

Mr. Boudria: Mr. Speaker, I think you will find there is consent from the whips or representatives of each party to indicate how their colleagues who have voted on the previous vote will be voting this time.

The Liberal members will be voting nay along with the hon. member for Beauce.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the Bloc Quebecois members will be voting yea on this motion.

[*English*]

Mr. Silye: Mr. Speaker, I believe you will find that the Reform Party members present today will vote nay unless there are those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, the NDP members of the House of Commons vote yea on Motion No. 10.

Mrs. Wayne: Mr. Speaker, the members of the PC Party who are here this evening vote yea.

(The House divided on Motion No. 10, which was negatived on the following division:)

(Division No. 125)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Chrétien (Frontenac)
Dalphond-Guiral
de Jong
Duceppe
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Marchand
Mercier
Nunez
Plamondon
Robinson
Solomon
Taylor
Wayne—49

Asselin
Bellehumeur
Bernier (Gaspé)
Blaikie
Bélisle
Caron
Crête
Debien
Deshaies
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Loubier
McLaughlin
Ménard
Picard (Drummond)
Pomerleau
Sauvageau
St-Laurent
Tremblay (Rosemont)

NAYS

Members

Abbott
Anderson
Assad
Baker
Barnes
Bellemare
Berger
Bethel
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brushett
Bélair
Calder
Cannis
Chamberlain
Chatters
Cohen
Copps
Culbert
DeVillers
Dingwall
Duncan
Easter
English
Finestone
Flis
Forseth
Fry
Gagliano
Gallaway
Goodale
Gray (Windsor West)
Grose
Guarnieri
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hermanson
Hopkins
Ianno
Irwin
Jordan
Kerpan
Kirkby
Kraft Sloan
Lee
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Manning
Martin (Esquimalt—Juan de Fuca)

Adams
Arseneault
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bernier (Beauce)
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Clancy
Collins
Cowling
Cummins
Dhaliwal
Dromisky
Dupuy
Eggleton
Epp
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Graham
Grey (Beaver River)
Grubel
Hanger
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hoeppner
Hubbard
Iftody
Jennings
Karygiannis
Keyes
Knutson
Lastewka
Loney
MacLaren (Etobicoke North)
Malhi
Manley
Marleau
Martin (LaSalle—Émard)

Massé
McClelland (Edmonton Southwest)
McKinnon
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murphy
Nault
Pagtakhan
Patry
Penson
Peterson
Pickard (Essex—Kent)
Proud
Reed
Rideout
Robichaud
Rompkey
Serré
Sheridan
Skoke
Speaker
St. Denis
Stewart (Brant)
Strahl
Terrana
Thompson
Torsney
Vanclief
Volpe
Wappel
Whelan
Zed—173

Mayfield
McGuire
McLellan (Edmonton Northwest)
Meredith
Milliken
Mills (Red Deer)
Morrison
Murray
O'Brien
Parrish
Payne
Peters
Phinney
Pillitteri
Ramsay
Regan
Ringuette–Maltais
Rock
Schmidt
Shepherd
Silye
Solberg
Speller
Steckle
Stinson
Szabo
Thalheimer
Tobin
Ur
Verran
Walker
Wells
Williams

PAIRED MEMBERS

Bachand
Chrétien (Saint–Maurice)
Daviault
Duhamel
Gerrard
Lalonde
Lefebvre
Minna
Ouellet
Rocheleau
Tremblay (Rimouski—Témiscouata)
Venne
Young

Bouchard
Collins
Dubé
Dumas
Harper (Churchill)
Lavigne (Verdun—Saint–Paul)
Leroux (Shefford)
O'Reilly
Paré
Telegdi
Valeri
Wood
de Savoye

The Deputy Speaker: I declare the motion lost.

Hon. John Manley (Minister of Industry): moved that the bill be concurred in.

Mr. Boudria: Mr. Speaker, I think you will find consent that the whips or representatives of each party will indicate how their caucus colleagues will be voting.

The Liberal members will be voting yea on the concurrence motion.

[*Translation*]

Mr. Duceppe: The members of the Bloc Quebecois will vote nay.

[*English*]

Mr. Silye: Mr. Speaker, Reform Party members present this evening will vote nay unless there are those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, the members of the NDP who are in the House will vote no on this concurrence motion.

Mrs. Wayne: Mr. Speaker, the members of the PC Party vote yea.

• (1810)

[*Translation*]

Mr. Bernier (Beauce, Ind.): I vote yea, Mr. Speaker.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 126*)

YEAS

Members

Adams
Arseneault
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bethel
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collins
Cowling
DeVillers
Dingwall
Dupuy
Eggleton
Finestone
Flis
Fry
Gagliano
Gallaway
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hubbard
Iftody
Jordan
Keyes
Knutson
Lastewka
Loney
MacLaren (Etobicoke North)
Malhi
Manley
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
Pagtakhan
Patry
Peters
Phinney
Pillitteri
Reed
Rideout
Robichaud
Rompkey
Shepherd
Skoke
St. Denis
Stewart (Brant)
Terrana
Tobin
Ur

Anderson
Assad
Baker
Barnes
Bellemare
Bernier (Beauce)
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Cohen
Copps
Culbert
Dhaliwal
Dromisky
Easter
English
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Grose
Harb
Hopkins
Ianno
Irwin
Karygiannis
Kirkby
Kraft Sloan
Lee
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marleau
Massé
McKinnon
McWhinney
Milliken
Mitchell
Murray
O'Brien
Parrish
Payne
Peterson
Pickard (Essex—Kent)
Proud
Regan
Ringuette–Maltais
Rock
Serré
Sheridan
Speller
Steckle
Szabo
Thalheimer
Torsney
Vanclief

Verran	Volpe
Walker	Wappel
Wayne	Wells
Whelan	Zed—134

NAYS

Members

Abbott	Althouse
Asselin	Axworthy (Saskatoon—Clark's Crossing
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Blaikie
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Brien	Bélisle
Canuel	Caron
Chatters	Chrétien (Frontenac)
Crête	Cummins
Dalphond-Guiral	Debien
de Jong	Deshaies
Duceppe	Duncan
Epp	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Godin	Grey (Beaver River)
Grubel	Guay
Guimond	Hanger
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hart	Hayes
Hermanson	Hoeppner
Jacob	Jennings
Kerpan	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Leroux (Richmond—Wolfe)
Loubier	Manning
Marchand	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest)
McLaughlin	Mercier
Meredith	Mills (Red Deer)
Morrison	Ménard
Nunez	Penson
Picard (Drummond)	Plamondon
Pomerleau	Ramsay
Robinson	Sauvageau
Schmidt	Silye
Solberg	Solomon
Speaker	St-Laurent
Stinson	Strahl
Taylor	Thompson
Tremblay (Rosemont)	Williams—88

PAIRED MEMBERS

Bachand	Bouchard
Chrétien (Saint-Maurice)	Collins
Daviault	Dubé
Duhamel	Dumas
Gerrard	Harper (Churchill)
Lalonde	Lavigne (Verdun—Saint-Paul)
Lefebvre	Leroux (Shefford)
Minna	O'Reilly
Ouellet	Paré
Rocheleau	Telegdi
Tremblay (Rimouski—Témiscouata)	Valeri
Venne	Wood
Young	de Savoye

The Deputy Speaker: I declare the motion carried.

[*English*]

INCOME TAX ACT

The House resumed from December 2 consideration of the motion that Bill C-59, an act to amend the Income Tax Act and the income tax application rules, be read the second time and referred to a committee.

The Deputy Speaker: Pursuant to the order made Friday, December 2, 1994, the House will now proceed to the taking of the deferred division on second reading stage of Bill C-59, an act to amend the Income Tax Act and the income tax application rules.

Mr. Boudria: Mr. Speaker, I wish to seek unanimous consent to apply the vote just taken on the concurrence motion to the motion on Bill C-59.

The Deputy Speaker: Is there unanimous consent by all members in the House?

Some hon. members: Agreed.

[Editor's Note: See list under Division No. 126.]

(Bill read the second time and referred to committee.)

* * *

CANADA GRAIN ACT

The House resumed from December 5 consideration of Bill C-51, an act to amend the Canada Grain Act and respecting certain regulations made pursuant to that act, as reported (without amendment) from the committee; and Motion No. 1.

The Deputy Speaker: The House will now proceed to the taking of deferred divisions on report stage of Bill C-51.

The first question is on Motion No. 1.

Mr. Boudria: Mr. Speaker, I rise on a point of order. You would probably find unanimous consent that the whip or representative of each party indicate how their colleagues are voting.

Liberal members will be voting nay on Motion No. 1.

[*Translation*]

Mr. Duceppe: The members of the Bloc Quebecois will vote yea, Mr. Speaker.

[*English*]

Mr. Silye: Mr. Speaker, you will find that the Reform Party members will vote yea to this unless there are those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, members of the New Democratic Party vote nay on Motion No. 1.

Mrs. Wayne: Mr. Speaker, nay.

Mr. Bernier (Beauce): Nay, Mr. Speaker.

(The House divided on Motion No. 1, which was negatived on the following division:)

(Division No. 127)

YEAS

Members

Abbott
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Bélisle
Caron
Chrétien (Frontenac)
Cummins
Debien
Duceppe
Epp
Forseth
Gagnon (Québec)
Godin
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Jacob
Kerpan
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Loubier
Marchand
Mayfield
Mercier
Mills (Red Deer)
Ménard
Penson
Plamondon
Ramsay
Schmidt
Solberg
St-Laurent
Strahl
Tremblay (Rosemont)

Asselin
Benoit
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Brien
Canuel
Chatters
Crête
Dalphond-Guiral
Deshaies
Duncan
Fillion
Frazer
Gauthier (Roberval)
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Harris
Hayes
Hoeppner
Jennings
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Morrison
Nunez
Picard (Drummond)
Pomerleau
Sauvageau
Silye
Speaker
Stinson
Thompson
Williams—80

NAYS

Members

Adams
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bethel
Blondin-Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Cohen
Copps
Culbert
DeVillers
Dingwall
Dupuy
Eggleton

Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing
Baker
Barnes
Bellemare
Bernier (Beauce)
Blaikie
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collins
Cowling
de Jong
Dhaliwal
Dromisky
Easter
English

Finestone
Flis
Fry
Gagliano
Gallaway
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hubbard
Iftody
Jordan
Keyes
Knutson
Lastewka
Loney
MacLaren (Etobicoke North)
Malhi
Manley
Martin (LaSalle—Émard)
McGuire
McLaughlin
McWhinney
Milliken
Mitchell
Murray
O'Brien
Parrish
Payne
Peterson
Pickard (Essex—Kent)
Proud
Regan
Ringuette-Maltais
Robinson
Rompkey
Shepherd
Skoke
Speller
Steckle
Szabo
Terrana
Tobin
Ur
Verran
Walker
Wayne
Whelan

Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Graham
Grose
Harb
Hopkins
Ianno
Irwin
Karygiannis
Kirkby
Kraft Sloan
Lee
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marleau
Massé
McKinnon
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
Pagtakhan
Patry
Peters
Phinney
Pillitteri
Reed
Rideout
Robichaud
Rock
Serré
Sheridan
Solomon
St. Denis
Stewart (Brant)
Taylor
Thalheimer
Torsney
Vanclief
Volpe
Wappel
Wells
Zed—142

PAIRED MEMBERS

Bachand
Chrétien (Saint-Maurice)
Daviault
Duhamel
Gerrard
Lalonde
Lefebvre
Minna
Ouellet
Rocheleau
Tremblay (Rimouski—Témiscouata)
Venne
Young

Bouchard
Collins
Dubé
Dumas
Harper (Churchill)
Lavigne (Verdun—Saint-Paul)
Leroux (Shefford)
O'Reilly
Paré
Telegdi
Valeri
Wood
de Savoye

[*Translation*]

The Deputy Speaker: I declare the motion lost.

[*English*]

The next question is on Motion No. 2.

Mr. Boudria: Mr. Speaker, the Liberal members will be voting nay on this motion.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the members of the Bloc Quebecois vote nay on this motion.

[*English*]

Mr. Silye: Members of the Reform Party will vote nay on this motion unless there are those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, members of the New Democratic Party caucus who are present today vote yea on this motion.

Mrs. Wayne: Mr. Speaker, members of the PC caucus here today will vote nay on this.

Mr. Bernier (Beauce): No.

[*Translation*]

(The House divided on Motion No. 2, which was negatived on the following division:)

(Division No. 128)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing
Blaikie
de Jong
McLaughlin
Robinson
Solomon
Taylor—8

NAYS

Members

Abbott
Adams
Anderson
Arseneault
Assad
Asselin
Axworthy (Winnipeg South Centre)
Baker
Bakopanos
Barnes
Beaumier
Bellehumeur
Bellemare
Benoit
Berger
Bergeron
Bernier (Beauce)
Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Blondin–Andrew
Bodnar
Bonin
Boudria
Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)
Brien
Brown (Oakville—Milton)
Brushett
Bryden
Bélair
Bélisle
Caccia
Calder
Campbell
Cannis
Canuel
Caron
Catterall
Chamberlain
Chan
Chatters
Chrétien (Frontenac)
Clancy
Cohen
Collins
Copps
Cowling
Crête
Culbert
Cummins
Dalphond–Guiral
Debien
Deshaies
DeVillers
Dhaliwal
Dingwall
Dromisky
Duceppe
Duncan
Dupuy
Easter
Eggleton
English
Epp
Fillion
Finestone
Finlay
Flis
Fontana
Forseth
Frazer
Fry
Gaffney
Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gagnon (Québec)
Gallaway
Gauthier (Roberval)
Godfrey
Godin
Goodale
Graham
Gray (Windsor West)
Grey (Beaver River)
Grose
Grubel
Guarnieri
Guay
Guimond
Hanger
Hanrahan
Harb
Harper (Calgary West)
Harper (Simcoe Centre)
Harris
Hart
Harvard
Hayes
Hermanson
Hoeppner
Hopkins
Hubbard
Ianno
Iftody
Irwin
Jacob
Jennings
Jordan
Karygiannis
Kerpan
Keyes
Kirkby
Knutson
Kraft Sloan
Landry
Langlois
Lastewka
Laurin
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Lee
Leroux (Richmond—Wolfe)
Loney
Loubier
MacAulay
MacLaren (Etobicoke North)
MacLellan (Cape/Cap Breton—The Sydneys)
Malhi
Maloney
Manley
Manning
Marchand
Marleau
Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)
Massé
Mayfield
McClelland (Edmonton Southwest)
McGuire
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Mercier
Meredith
Mifflin
Milliken
Mills (Broadview—Greenwood)
Mills (Red Deer)
Mitchell
Morrison
Murphy
Murray
Ménard
Nault
Nunez
O'Brien
Pagtakhan
Parrish
Patry
Payne
Penson
Peters
Peterson
Phinney
Picard (Drummond)
Pickard (Essex—Kent)
Pillitteri
Plamondon
Pomerleau
Proud
Ramsay
Reed
Regan
Rideout
Ringuette–Maltais
Robichaud
Rock
Rompkey
Sauvageau
Schmidt
Serré
Shepherd
Sheridan
Silye
Skoke
Solberg
Speaker
Speller
St–Laurent
St. Denis
Steckle
Stewart (Brant)
Stinson
Strahl
Szabo
Terrana
Thalheimer
Thompson
Tobin
Torsney
Tremblay (Rosemont)
Ur
Vanclief
Verran
Volpe
Walker
Wappel
Wayne
Wells
Whelan
Williams
Zed—214

PAIRED MEMBERS

Bachand
Bouchard
Chrétien (Saint–Maurice)
Collins
Daviault
Dubé
Duhamel
Dumas
Gerrard
Harper (Churchill)
Lalonde
Lavigne (Verdun—Saint–Paul)
Lefebvre
Leroux (Shefford)
Minna
O'Reilly
Ouellet
Paré
Rocheleau
Telegdi
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Wood
Young
de Savoye

The Deputy Speaker: I declare the motion lost.

[*English*]

The next question is on Motion No. 4.

Mr. Boudria: Mr. Speaker, Liberal members by unanimous consent will be recorded as voting nay.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the members of the Bloc Quebecois vote nay on this motion.

● (1815)

[*English*]

Mr. Silye: The Reform Party members present this evening vote yea, except for those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, New Democrat members of Parliament are proud to vote yes on this motion.

Mrs. Wayne: Mr. Speaker, the PC caucus votes nay.

[*Translation*]

Mr. Bernier (Beauce): Mr. Speaker, I vote nay.

(The House divided on Motion No. 4, which was negatived on the following division:)

(Division No. 129)

YEAS

Members

Abbott
Axworthy (Saskatoon—Clark's Crossing
Blaikie
Breitkreuz (Yorkton—Melville)
Cummins
Duncan
Forseth
Grey (Beaver River)
Hanger
Harper (Calgary West)
Harris
Hayes
Hoeppner
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Morrison
Ramsay
Schmidt
Solberg
Speaker
Strahl
Thompson

Althouse
Benoit
Breitkreuz (Yellowhead)
Chatters
de Jong
Epp
Frazer
Grubel
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Jennings
Manning
Mayfield
McLaughlin
Mills (Red Deer)
Penson
Robinson
Silye
Solomon
Stinson
Taylor
Williams—48

NAYS

Members

Adams
Arseneault
Asselin
Baker
Barnes
Bellehumeur
Berger
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Blondin–Andrew
Bonin
Brien
Brushett
Bélair
Caccia
Campbell
Canuel
Catterall
Chan
Clancy
Collins
Cowling
Culbert
Debien
DeVillers
Dingwall
Duceppe
Easter
English
Finestone
Flis
Fry
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Grose
Guay
Harb
Hopkins
Ianno
Irwin
Jordan
Keyes
Knutson
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
MacLaren (Etobicoke North)
Malhi
Manley
Marleau
Massé
McKinnon
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Murphy
Ménard
Nunez
Pagtakhan
Patry
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Proud
Regan
Ringuette–Maltais
Rock
Sauvageau
Shepherd
Skoke
St–Laurent
Steckle
Szabo

Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bergeron
Bernier (Gaspé)
Bethel
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Caron
Chamberlain
Chrétien (Frontenac)
Cohen
Copps
Crête
Dalphond–Guiral
Deshaies
Dhaliwal
Dromisky
Dupuy
Eggleton
Fillion
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hubbard
Iftody
Jacob
Karygiannis
Kirkby
Kraft Sloan
Langlois
Laurin
Lebel
Lee
Loney
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marchand
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
Mercier
Milliken
Mitchell
Murray
Nault
O'Brien
Parrish
Payne
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Reed
Rideout
Robichaud
Rompkey
Serré
Sheridan
Speller
St. Denis
Stewart (Brant)
Terrana

Thalheimer	Tobin
Torsney	Tremblay (Rosemont)
Ur	Vanclief
Verran	Volpe
Walker	Wappel
Wayne	Wells
Whelan	Zed—174

PAIRED MEMBERS

Bachand	Bouchard
Chrétien (Saint-Maurice)	Collins
Daviault	Dubé
Duhamel	Dumas
Gerrard	Harper (Churchill)
Lalonde	Lavigne (Verdun—Saint-Paul)
Lefebvre	Leroux (Shefford)
Minna	O'Reilly
Ouellet	Paré
Rocheleau	Telegdi
Tremblay (Rimouski—Témiscouata)	Valeri
Venne	Wood
Young	de Savoye

The Deputy Speaker: I declare the motion lost.

[*English*]

The next question is on Motion No. 3.

Mr. Boudria: Mr. Speaker, if you were to seek it I think you would find consent to apply the vote taken on report stage Motion No. 3 of Bill C–46 to the motion now before the House.

[*Translation*]

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 124.*]

The Deputy Speaker: I declare the motion lost.

[*English*]

The next question is on Motion No. 7.

Mr. Boudria: Mr. Speaker, I think you would find consent to apply the vote just taken on report stage Motion No. 3 of Bill C–51 to the motion now before the House.

[*Translation*]

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 124.*]

The Deputy Speaker: I declare Motions Nos. 7 and 8 lost.

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.) moved that the bill be concurred in.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that we apply the vote just taken on report stage Motion No. 7 in reverse for the concurrence motion on Bill C–51.

The Deputy Speaker: Do we have unanimous consent?

Some hon. members: Agreed.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 130*)

YEAS

Members

Adams	Althouse
Anderson	Arseneault
Assad	Asselin
Axworthy (Saskatoon—Clark's Crossing	Axworthy (Winnipeg South Centre)
Baker	Bakopanos
Barnes	Beaumier
Bellehumeur	Bellemare
Berger	Bergeron
Bernier (Beauce)	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bethel
Blaikie	Blondin-Andrew
Bodnar	Bonin
Boudria	Brien
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélisle	Caccia
Calder	Campbell
Cannis	Canuel
Caron	Catterall
Chamberlain	Chan
Chrétien (Frontenac)	Clancy
Cohen	Collins
Copps	Cowling
Crête	Culbert
Dalphond-Guiral	Debien
de Jong	Deshaies
DeVillers	Dhaliwal
Dingwall	Dromisky
Duceppe	Dupuy
Easter	Eggleton
English	Fillion
Finestone	Finlay
Flis	Fontana
Fry	Gaffney
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gagnon (Québec)	Gallaway
Gauthier (Roberval)	Godfrey
Godin	Goodale
Graham	Gray (Windsor West)
Grose	Guarnieri
Guay	Guimond
Harb	Harvard
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jacob
Jordan	Karygiannis
Keyes	Kirkby
Knutson	Kraft Sloan
Landry	Langlois
Lastewka	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lee
Leroux (Richmond—Wolfe)	Loney
Loubier	MacAulay
MacLaren (Etobicoke North)	MacLellan (Cape/Cap Breton—The Sydneys)
Malhi	Maloney
Manley	Marchand
Marleau	Martin (LaSalle—Émard)
Massé	McGuire
McKinnon	McLaughlin
McLellan (Edmonton Northwest)	McWhinney
Mercier	Mifflin
Milliken	Mills (Broadview—Greenwood)
Mitchell	Murphy
Murray	Ménard
Nault	Nunez
O'Brien	Pagtakhan
Parrish	Patry
Payne	Peters

Peterson	Phinney
Picard (Drummond)	Pickard (Essex—Kent)
Pillitteri	Plamondon
Pomerleau	Proud
Reed	Regan
Rideout	Ringuette-Maltais
Robichaud	Robinson
Rock	Rompkey
Sauvageau	Serré
Shepherd	Sheridan
Skoke	Solomon
Speller	St-Laurent
St. Denis	Steckle
Stewart (Brant)	Szabo
Taylor	Terrana
Thalheimer	Tobin
Torsney	Tremblay (Rosemont)
Ur	Vanclief
Verran	Volpe
Walker	Wappel
Wayne	Wells
Whelan	Zed—182

NAYS

Members

Abbott	Benoit
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Chatters	Cummins
Duncan	Epp
Forseth	Frazer
Grey (Beaver River)	Grubel
Hanger	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Hayes	Hermanson
Hoeppner	Jennings
Kerpan	Manning
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest)	Meredith
Mills (Red Deer)	Morrison
Penson	Ramsay
Schmidt	Silye
Solberg	Speaker
Stinson	Strahl
Thompson	Williams—40

PAIRED MEMBERS

Bachand	Bouchard
Chrétien (Saint-Maurice)	Collins
Daviault	Dubé
Duhamel	Dumas
Gerrard	Harper (Churchill)
Lalonde	Lavigne (Verdun—Saint-Paul)
Lefebvre	Leroux (Shefford)
Minna	O'Reilly
Ouellet	Paré
Rocheleau	Telegdi
Tremblay (Rimouski—Témiscouata)	Valeri
Venne	Wood
Young	de Savoye

The Deputy Speaker: I declare the motion carried.

Pursuant to Standing Order 45(a), the House will now proceed to the taking of the deferred divisions on report stage of Bill C–56, an act to amend the Canadian Environmental Assessment Act.

* * *

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

The House resumed from December 5 consideration of Bill C–56, an act to amend the Canadian Environmental Assessment Act, as reported (with amendments) from the committee.

The Deputy Speaker: The question is on Motion No. 1.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to apply the vote taken on Motion No. 4 of the report stage of Bill C–51 to this motion now before the House.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 129.*]

The Deputy Speaker: The motion is negatived.

The next question is on Motion No. 3.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to apply the vote just taken on report stage Motion No. 1 to the motion now before the House.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 129.*]

The Deputy Speaker: The motion is negatived.

The next question is on the amendment to Motion No. 4.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to apply the vote taken at report stage motion No. 10 of Bill C–46 to the item now before the House.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 125.*]

[*Translation*]

The Deputy Speaker: I declare the amendment lost.

• (1820)

[*English*]

The next question is on Motion No. 4.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to apply the vote taken on report stage Motion No. 2 of Bill C–51 to the motion now before the House.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[Editor's Note: See list under Division No. 128.]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.) moved that the bill be concurred in.

Mr. Boudria: Mr. Speaker, I think you would find consent to apply the vote taken on report stage Motion No. 1 of Bill C–51 in reverse to the motion now before the House.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 131)

YEAS

Members

Adams
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bethel
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Cohen
Copps
Culbert
DeVillers
Dingwall
Dupuy
Eggleton
Finestone
Flis
Fry
Gagliano
Gallaway
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hubbard
Iftody
Jordan
Keyes
Knutson
Lastewka
Loney
MacLaren (Etobicoke North)
Malhi
Manley
Martin (LaSalle—Émard)
McGuire
McLaughlin
McWhinney
Milliken
Mitchell
Murray
O'Brien
Parrish
Payne
Peterson
Pickard (Essex—Kent)
Proud
Regan
Ringuette–Maltais
Robinson
Rompkey
Shepherd
Skoke
Speller
Steckle
Szabo
Terrana
Tobin
Ur
Verran
Walker
Wayne
Whelan
Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing
Baker
Barnes
Bellemare
Bernier (Beauce)
Blaikie
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collins
Cowling
de Jong
Dhaliwal
Dromisky
Easter
English
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Grose
Harb
Hopkins
Ianno
Irwin
Karygiannis
Kirkby
Kraft Sloan
Lee
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marleau
Massé
McKinnon
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Murphy
Nault
Pagtakhan
Patry
Peters
Phinney
Pillitteri
Reed
Rideout
Robichaud
Rock
Serré
Sheridan
Solomon
St. Denis
Stewart (Brant)
Taylor
Thalheimer
Torsney
Vanclief
Volpe
Wappel
Wells
Zed—142

NAYS

Members

Abbott
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Bélisle
Caron
Chrétien (Frontenac)
Cummins
Debien
Duceppe
Epp
Forseth
Gagnon (Québec)
Godin
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Jacob
Kerpan
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Loubier
Marchand
Mayfield
Mercier
Mills (Red Deer)
Ménard
Penson
Plamondon
Ramsay
Schmidt
Solberg
St–Laurent
Strahl
Tremblay (Rosemont)
Asselin
Benoit
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Brien
Canuel
Chatters
Crête
Dalphond–Guiral
Deshaies
Duncan
Fillion
Frazer
Gauthier (Roberval)
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Harris
Hayes
Hoeppner
Jennings
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Morrison
Nunez
Picard (Drummond)
Pomerleau
Sauvageau
Silye
Speaker
Stinson
Thompson
Williams—80

PAIRED MEMBERS

Bachand
Chrétien (Saint–Maurice)
Daviault
Duhamel
Gerrard
Lalonde
Lefebvre
Minna
Ouellet
Rocheleau
Tremblay (Rimouski—Témiscouata)
Venne
Young
Bouchard
Collins
Dubé
Dumas
Harper (Churchill)
Lavigne (Verdun—Saint–Paul)
Leroux (Shefford)
O'Reilly
Paré
Telegdi
Valeri
Wood
de Savoye

The Deputy Speaker: I declare the motion carried.

It being 6.30 p.m. the House will now proceed to the consideration of Private Members' Business.

PRIVATE MEMBERS' BUSINESS

[*English*]

UNEMPLOYMENT INSURANCE ACT

The House proceeded to the consideration of Bill C–216, an act to amend the Unemployment Insurance Act (jury service), as reported (without amendment) from the committee.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I rise on a point of order. Hon. members will note on the Order Paper that the recommendation from His Excellency the Governor General has been provided for this bill in order to permit the House to consider its final passage without conflicting with either Standing Order 79(1) or section 54 of the Constitution.

The government is pleased to have this opportunity to take the unusual step of obtaining a recommendation for a private member's initiative, which is entirely within the spirit and the letter of our program of parliamentary reform.

I must caution the House however that this individual case has been examined by the government carefully and it is only because Bill C–216 fits with the existing fiscal framework that the government has been able to take this opportunity.

The House should not consider this case as a precedent. It is highly unlikely that there will be many cases that lend themselves to this kind of accommodation. In order to maintain strict control over expenditure the government will insist on the strict enforcement of this order and in the other place of the constitutional principle that no expenditure may be voted by a parliamentary motion or bill without the explicit recommendation to this House by His Excellency.

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.) moved that the bill be concurred in.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

[*Editor's Note: See list under Division No. 130.*]

Mr. Arseneault moved that the bill be read the third time and passed.

He said: Mr. Speaker it gives me pleasure to rise tonight to speak on third reading of this private member's bill.

I would like to commence by thanking all my colleagues from all parties who have supported me. It has been a four–year battle. It started four years ago in December and we are in December again looking at third reading.

I thank my hon. colleagues on this historic occasion. I am looking for their support at third reading. We hope to conclude third reading this evening.

[*Translation*]

I have the honour and the pleasure to rise in this House to speak on a private member's bill which I sponsored to amend the Unemployment Insurance Act.

As you know, section 14 of this act prevents unemployed people who have to do jury duty from collecting UI benefits.

[*English*]

I have spoken on this issue for the last four years. I could go on. Other members have spoken on the issue. I think we should put it to rest this evening. I will now rest my case to my colleagues and would ask for their unanimous consent to pass the bill at third reading.

[*Translation*]

The Deputy Speaker: Is there unanimous consent to pass this bill on third reading?

Some hon. members: Agreed.

Mr. Bellehumeur: Is this a continuation of the debate, Mr. Speaker?

The Deputy Speaker: I thought we were ready to adopt this bill. Is there some misunderstanding with the member who wishes to rise on a point of order?

Mr. Bellehumeur: There was an amendment by the Reform Party, but it is not up to me to raise this point of order.

The Deputy Speaker: It seems the hon. member for Berthier—Montcalm has the right to make his speech.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I prepared a few notes because in any case, I was going to support the hon. member on this bill as the Bloc Quebecois did when the hon. member for Mercier spoke to this bill. At the time, we agreed with the hon. member's initiative regarding this legislation. I think there was an oversight. Earlier we had comments from the government.

I think these comments are in line with our own support for the hon. member's bill, in other words, I believe that at the present time, we are penalizing people who would be able to perform a duty that is extremely important in our judicial system, and I am referring to jury duty. A person on unemployment insurance was either penalized, in other words, did his jury duty but was not entitled to receive unemployment insurance benefits, or the judges, considering this particular situation, rejected such people for jury duty.

However, thanks to the hon. member's amendment, and he is to be commended for making this proposal, the situation will be rectified.

I believe that in previous debates, we stressed the usefulness of jury members in our judicial system, and I should add that the jury system is a provincial matter, in other words, the province has jurisdiction over the administration of justice at this level.

I believe that as legislators, in the House, we have helped accelerate and simplify procedures and assist those responsible for the administration of justice. I think that Bill C–216 is entirely in line with this attempt at simplification and helping people fulfil their jury duties.

Finally, Mr. Speaker, I would like to mention something that happened in the judicial district of Joliette, in connection with the selection of jury members. In a murder case, after seeing about 300 to 400 potential jurors, the lawyers had rejected practically everyone, so that the sheriff finally rented a bus and had the bus stop in various streets in the municipality of Joliette, pick up anyone who looked like they were of age and take them by bus to the court house to be selected as jurors.

My point is that people do not exactly go out of their way to do jury duty, and I think that if we can simplify things and help people, if there are people on unemployment insurance who could do jury duty, I think we should let them, and Bill C–216 is a step in the right direction.

Some hon. members: Hear, hear.

Mr. Bellehumeur: That being said, I will be delighted to support Bill C–216.

[*English*]

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, I stand before my hon. colleagues and my constituents today to discuss Bill C–216, a private member's bill that changes the rules of the unemployment insurance program to allow unemployment insurance claimants to collect unemployment insurance benefits while they are serving on a jury.

Essentially, Bill C–216 if passed would change only six words in the Unemployment Insurance Act. These changes include the removal of the word "or" in section 14 and include the words "or engaged in jury service" in the same section.

The question that needs to be addressed is why are we spending all this time discussing these six words. The answer to this question is simple. If these six words were changed, the initial intention of the Unemployment Insurance Act would have been pushed even farther from its original purpose.

Section 14 of the Unemployment Insurance Act states clearly: "A claimant is not entitled to receive benefits for any working day for which he or she is unable to prove capability to work and availability for work or is unable to prove incapability because of prescribed illness, injury, or quarantine. A claimant engaged in jury duty is considered unavailable under section 14 of the act and is therefore disentitled from benefits".

This statement makes it indisputably clear that the framers of the original unemployment act saw that the UI system was not to include those individuals who were called to do their civic duty and perform jury duty.

The Reform Party unequivocally supports the return of the Unemployment Insurance Act to its original function, an employer/employee funded and administered program to provide temporary income in the event of unexpected job loss.

This has been our policy since the late 1980s. Canadians are tired of supporting habitual and seasonal abusers of unemployment insurance. Many people would say that Bill C–216 would become another case of abuse of the great Canadian social security system as it could lead to employers laying off employees who must serve jury duty so that these individuals would be able to collect otherwise uncollectable unemployment insurance.

The potential for abuse is alarmingly clear. When the unemployment insurance system is not used as it was initially designed, Canadians suffer because the present inequities in the UI system which have developed permanently lower disposable income of those who hold full time jobs in regions of some economic strength.

It permanently depresses the rate of job creation among all the firms whose costs are increased by the UI payroll tax. It subsidizes the immobility of labour in ways that seriously hurt the younger generations as parents do not face the incentives they should to move to regions where private sector job opportunities are much more numerous and diverse.

According to the figures provided by my hon. colleague for Restigouche—Chaleur, the implementation of this amendment to the Unemployment Insurance Act, the changing of only six words, would add in the neighbourhood of $2 million to $3 million to the unemployment insurance claims. A $2 million to $3 million tab would be absorbed by employers and employees

across the country. They are already losing nearly 40 per cent of their pay cheques through one type of taxation or another.

• (1835)

I truly question the willingness of Canadians to absorb this sum of money, especially when considering our fiscal situation where we as a nation are nearly $535 billion in debt and are paying nearly $40 billion in interest payments annually to service this astronomical debt.

It is for this reason that if employers and employees who pay for the UI program had a say in how their money was being spent, I do not think they would agree to provide benefits to claimants while they are serving on a jury.

The law is simple, clear and concise. If a UI claimant is serving on a jury they are not available for work and therefore not entitled to unemployment insurance benefits. For too long now the fundamental insurance principles have been compromised so that unemployment insurance is seen more like a form of welfare than a form of insurance.

In the words of Tommy Douglas: "We are not interested in paying able bodied people merely because they were not able to find work. We proposed social aid for those who are unable to work because they were crippled, aged or mentally ill. Those who are able to work would participate in public work projects".

Welfare and unemployment insurance are not a right in Canada and furthermore unemployment insurance is exactly what the name indicates. It is an insurance program and not a seasonal employment or special compensation package.

Workers should only be entitled to unemployment insurance provided they qualify and meet certain obligations. One of these obligations is that they are ready, able and willing to work; work immediately, not tomorrow or the next day or the next week, but immediately.

As I mentioned earlier the unemployment insurance program must be returned to a true insurance program. We should look at other insurance programs to see how they operate and perhaps we as a government could learn a lesson or two from the private sector. Perhaps our national unemployment insurance program should indeed be based on a user pay system such as household or automobile insurance where the more we use our insurance the more our premiums increase and, conversely, the less we use our insurance the less our premiums become.

This type of user pay based system is not solely for employees. It would also relate back to employers as those employers who regularly lay off workers would also have to pay higher premiums as well.

It is clear that this bill is taking us down the wrong direction. We should be looking at ways to make the unemployment insurance as well as government programs sustainable and self–sufficient. Bill C–216 is not even close to achieving this goal or even starting us down the right path.

I want to state clearly that while there may be a problem of fair compensation to individuals who serve on a jury regardless of their employment status, we do not believe that minor changes to the Unemployment Insurance Act is the way to accomplish or change this inequity.

We are not the only ones with this view. In fact a few of our supporters include the policy experts at the department of unemployment insurance and research branch of the Library of Parliament. The department of unemployment insurance comments that the problem is not with the UI rules but rather the poor compensation provided for jurors. The Library of Parliament wrote: "The primary issue in this matter seems to be adequate remuneration for jury duty and that is the responsibility of the provinces rather than the employers and employees who contribute to the unemployment insurance program".

Ultimately then, rather than adjusting the Unemployment Insurance Act the Reform Party proposes that judges should use their discretion to excuse UI claimants from jury duty as has been done in the past. Again, I think it is crucial to state the obvious which is those who serve on jury are perhaps not fairly compensated. On this point I am sure all of us in this House can agree.

• (1840)

As my hon. colleague from Yorkton—Melville stated in the House it is inexcusable that jurors are asked to work for days, weeks, and in some cases even months for $15 or $20 a day. I believe, as does the Reform Party, in equality and fairness and above all common sense. For that reason it is clear that this issue of appropriate compensation for jurors must be addressed.

However, we also believe in decreasing overlap and duplication between governments. Essentially we believe in staying out of the provincial arena and the issue of juror compensation falls 100 per cent under provincial jurisdiction. For these reasons we will be unable to support this bill.

Finally, I would like to move:

That the motion be amended by striking out all the words after the word "That" and substituting the following:

"Bill C–216, an act to amend the Unemployment Insurance Act (jury service), be not now read a third time and that the order be discharged, the bill withdrawn, and the subject matter thereof referred to the Standing Committee on Human Resources Development.

The Deputy Speaker: The Chair should indicate that the motion is receivable.

Mr. Arseneault: I rise on a point of order, Mr. Speaker. I beg to differ. I do not want to challenge the Chair on that but the matter has already been referred to the resources development committee and it came back without amendment. I would say that the Reform Party is stalling for time with private members' business and I am very concerned with that.

Mr. Silye: I rise on a point of order, Mr. Speaker. That is just a matter of debate.

The Deputy Speaker: Colleagues will appreciate that the bill as was indicated by the member for Restigouche has gone to committee, has been gone through clause by clause, and has come back.

To the hon. member for Restigouche, the motion proposes to discharge the bill and refer the subject matter. Therefore the amendment would appear to me to be in order.

• (1845)

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, since this private member's bill was first introduced various things have come up which probably would now make it necessary for the bill to be referred to the committee again. One major thing that has come up is that the Minister of Human Resources Development ordered a review of some of the programs under the Department of Human Resources Development including unemployment insurance.

As there are no members of the Human Resources Development committee present since they are presently holding hearings in Quebec and across the country, it is only in order that we allow the bill to be referred to committee again.

The bill is contrary to true insurance principles. The minister made the point that the changes he is proposing would bring the Unemployment Insurance Act back to a true insurance act. It would very much change what we are doing here, and that is why I am supporting the amendment my colleague has made.

If we are to return unemployment insurance to true insurance principles there are various matters in the bill I would like to address that should be referred back to committee to be corrected. If the members opposite would listen to what I have to say, they would agree with that.

If the bill were passed it would be the first time in history that a private member's bill would require the government to spend more money, in the neighbourhood of $3 million. I think members opposite would agree and would probably oppose it for that reason.

As I have mentioned, the people on the Human Resources Development committee are not here now to present what they are hearing in the consultations across the country. I have been travelling with the committee for three weeks and there have been many presentations that would run contrary to the spirit of the private member's bill. For that reason we should be delaying it.

They will be going against the wishes of their Minister of Human Resources Development. The report that will come down in February will indicate that. It would be wise to refer this back to the committee and let it have another look at it.

Some of the things we are hearing that would run contrary to the bill are the following. The people who are coming before the committee as witnesses would like to see reduced the duplication that is presently taking place between the federal and provincial government.

The bill actually does the opposite. It infringes on an area of provincial jurisdiction, that is the area of justice. Even as the member who proposed the bill admitted, the problem is not with unemployment insurance. The problem with serving on duty as a juror falls on the justice system. It should not fall on the unemployment insurance system.

Another thing we are hearing is that the unemployment insurance system should be run more as a true insurance system and should be economically viable. It is not. It should be financially sustainable; we are hearing time and again that unemployment insurance should be self–financing.

Many people are telling us that we need to go back and establish it on true insurance principles. The bill is contrary to that and is why it should be referred back to the committee. The committee now has new insights from what it is hearing from Canadians and would like to probably evaluate the bill with regard to them.

I have a couple of more points. The consultations indicate that Canadians should be treated more equally across Canada. The bill does not do that. Self–employed people would be discriminated against under the bill. They would not be eligible to be compensated by unemployment insurance. They could be sitting beside somebody else on a jury and would not have the same access. There is an equality problem in that regard.

• (1850)

It will open up the system to more abuse. The Minister of Human Resources Development has stated explicitly that he would like to reduce the amount of abuse. Costs will escalate at a time when we cannot afford it. In fact we would be approving a history making government expenditure of $3 million because of a private member's bill.

Would it be possible to somehow look at the bill, send it back to committee and see if some of these things could be addressed? I believe it is and for that reason I am supporting the motion. I hope members opposite and members of the Bloc will support it as well.

The people from whom we are hearing in this consultative process are saying that we have to reduce the number of

opportunities for abuse, not increase them. For that reason I support what my colleague has put forward.

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, originally I did not intend to enter into the debate. It was my intention from the beginning to rise and pay tribute to the member for Restigouche—Chaleur for bringing forward his private member's bill.

However I must admit that I am appalled by the remarks made by the two previous speakers from the Reform Party. I did not think it was possible for members of Parliament to be so meanspirited.

Mr. Epp: Mr. Speaker, I rise on a point of order. The words just used characterizing the Reform Party are not parliamentary. I would ask the member to withdraw them.

The Deputy Speaker: I have researched the matter. It was a minister who used those words and she was required to withdraw them. I would invite the member for Winnipeg—St. James to withdraw those words immediately.

Mr. Harvard: Mr. Speaker, I am more than happy to withdraw them if they are unparliamentary. How do I convey my disgust? Is that unparliamentary as well? I am left absolutely disgusted by the remarks.

The Deputy Speaker: The member has withdrawn the offending words that have been ruled within the last two weeks as being unparliamentary. I would ask the hon. member to continue his speech.

Mr. Harvard: Mr. Speaker, I am more than happy to continue with my speech.

What is the intent of the private member's bill? Its intent is to remove an injustice, to remove a wrong. These people are ready, willing and able to work. They happen to be on unemployment insurance. They have been mandated by the state. They have been mandated by the government. They have been obliged by society to serve jury duty.

It is not their fault. It is not abuse as suggested by the previous speakers from the third party. They are following the duty imposed upon them by the Parliament of Canada. They are not at fault. These are good people. They do not want to violate the Unemployment Insurance Act, but they have benefits owing to them. They are obliged to serve on the jury but in the process they have to give up their benefits, their compensation.

In the name of fairness and justice surely we cannot ask them on one hand to serve on a jury and at the same time to give up their unemployment insurance compensation. It is wrong. It is an injustice. The intent of the bill is to remove that injustice, to correct that wrong.

Do we not have the compassion or the decency to show these people that we care for them? On one hand we want them to follow the law of the land and to serve on juries and at the same time we should not take away their unemployment insurance benefits, their compensation. If parliamentarians cannot understand this simple concept, this simple piece of justice then I do not understand what is going on.

• (1855)

In conclusion all I want to say is this piece of legislation is justified in the name of fairness. The arguments brought forward by the previous speakers are red herrings. This has been examined by the committee. There are no more questions. We should be settling this now in the name of justice.

I pay tribute to the member for Restigouche—Chaleur. He has done the right thing. In the name of justice and fairness and in the name of God let us pass this bill now.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I am not going to speak for long but I hope to speak a little more calmly than the previous speaker did. A number of points he brought forward actually reiterate what my colleagues are trying to do in having this subject matter referred back to committee.

We must view this in light of the review of all of our social programs and proposed reforms to be introduced hopefully later and not that much later in this Parliament. We are going to be looking at the unemployment insurance system and hopefully reviewing it with a view to making it a true insurance program. Also when we are talking about jury duty we may be talking about other jurisdictions such as the provincial jurisdiction as it affects the criminal justice system.

There are so many complications and so many other angles to this whole situation which have not been adequately presented both in this House and to the committee nor for the provinces to have their input. This underscores the fact that before we hastily implement this private member's bill which will cost taxpayers some money and which will broaden the scope of unemployment insurance rather than narrow it to its original function, it would be wise not to bind the hands of the government and the Minister of Human Resources Development on proposals that will have to be undone at a later date.

I speak on behalf of rational Canadians who want to look carefully and make wise decisions rather than rant uncontrollably and emotionally without having put one's facts together ahead of time in order to make smart decisions rather than foolish ones. We have seen past Liberal governments build up the unemployment insurance program and our social safety net to the point that we have to look at reform, restructuring, redirecting them back to their original purposes so that they can help those Canadians they were supposed to help.

Certainly if people are called to jury duty and there are some financial implications, that needs to be looked at. I do not think my colleagues in the Reform Party are saying this is not a valid issue to bring forward in the House. We are saying that perhaps unemployment insurance is not the correct vehicle to deal with this issue. Also a precedent is being set where a private member's bill is going to cost taxpayers dollars. That is why the

Secretary of State for Parliamentary Affairs had to get up and make rather an elaborate statement to the House.

This is a precedent setting incident. We need to look a lot more cautiously in the light of the total deficit of $540 billion. Every penny must be accounted for. This House has to take more responsibility over that expenditure. We should not hasten to make short two minute speeches and try to slip these bills through without proper consultation and without proper debate in the House.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

• (1900)

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

And more than five members having risen:

Pursuant to Standing Order 45(5)(a) the deputy whip has asked me to defer the vote until tomorrow at which time the bells to call in the members will be sounded for not more than 15 minutes.

Ms. Catterall: Mr. Speaker, I think that given the way the votes are planned for this week you might find unanimous consent in the House to further defer the division until Thursday at 5.30 p.m.

The Deputy Speaker: Is there unanimous consent?

Mr. Hermanson: Agreed.

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

Adjournment Debate

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I think that for the adjournment debate I will give some background to put things in context. On September 20, 1994, I questioned the Solicitor General of Canada regarding everything that had gone on in the Bristow and McInnis affairs, the infiltrations of political parties and unions, the investigations of the Canadian Jewish Congress in Toronto and Montreal. The questions were very clear.

In particular, we asked the government to establish a royal commission of inquiry to shed light on the whole matter. I also asked who controlled the monster that the Canadian Security Intelligence Service seemed to have become, since no one seemed able to control it anymore or to identify those really responsible, the people committing public funds, taking action. There does not seem to be anyone responsible for it in Parliament.

We rarely obtain any answers to this question, as you well know, and so we turned to SIRC, the Security Intelligence Review Committee. Since September 20, there have been discussions in the sub–committee, witnesses have been called, the CSIS inspector is conducting an investigation, the Sub–committee on National Security has heard witnesses, and so on. And now, on December 9, we are told, SIRC will be submitting its report to the Solicitor General of Canada.

Mr. Speaker, you know that we have our reservations about SIRC, stacked as it is with political appointees, the majority being Conservatives who are looking into activities that were conducted in the 1990s by Conservatives. One cannot be judge and jury at the same time. Our reservations notwithstanding, we are looking forward to reading SIRC's report very attentively.

What I am asking the Solicitor General of Canada this evening is that he submit the complete text of this report to the Sub–committee on National Security, with no deletions, in its entirety, so that we ourselves, given our solid representation on the sub–committee, may judge whether the work has been done properly, whether SIRC has carried out its mandate, which is to reassure us that it has looked into what was done in the cases I mentioned earlier, with respect to Bristow and anything to do with infiltration activities by CSIS.

• (1905)

What I am requesting, and I hope that we are going to obtain it, is an unaltered copy so that our representative on the Sub–committee on National Security can question people and obtain satisfaction in this matter.

I think that it is extremely important, given that we have not been able to have a royal commission of inquiry established, that we at least be able to examine this report in its entirety.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, in 1984, when the CSIS Act

became law, Parliament achieved two very important objectives. First, it created a civilian security intelligence agency, accountable through the Solicitor General to Parliament, and ultimately, to the Canadian people.

Second, in support of an additional measure of control and accountability for the activities of this agency, Parliament created an external review body—the Security Intelligence Review Committee, or SIRC.

SIRC has the legislative mandate to perform two kinds of functions. The first is to act as an administrative tribunal to hear complaints against the security service. The second, relevant to the issue before us, is to review the performance and activities of the Service.

Section 38 of the CSIS Act authorizes SIRC to review how CSIS performs all its duties and functions. More specifically, under section 54, SIRC can investigate any matter relating to CSIS's activities and then provide the Solicitor General with a special report of this investigation.

SIRC is entitled to obtain any information, including documents, reports and explanations from CSIS and the Inspector General to carry out its responsibilities. Clearly, SIRC has the authority and enabling powers to properly fulfil its mandate.

In conclusion, it would be in no one's interest, and certainly not the Canadian public's, to establish another review body to do what SIRC is already authorized to do.

Therefore, I would suggest that we put this suggestion of a royal commission to rest and await the report of the Security Intelligence Review Committee.

[*English*]

TRADE

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, the question posed to the Minister for International Trade was prompted by concerns expressed from a number of agricultural organizations that Bill C–57, an act to implement the World Trade Organization, was deficient and needed to be amended.

My question focused on one area of concern, namely the issue of tariff levels and supplemental quotas on supply managed commodities. However, there are concerns in other areas as well: clauses referring to the Western Grain Transportation Act and comparisons to the United States implementation legislation.

There is absolutely no question in my mind that the U.S. implementing legislation has more teeth in it and retains a greater degree of political control.

On November 28 the minister responded to my question concerning the issues of tariff levels and supplemental quotas on supply managed commodities by stating that amendments to the Customs Tariff Act, et cetera, would be introduced "if necessary".

The minister did not respond to my satisfaction or to the industry's satisfaction by either stating that there was no cause for concern or that given these concerns legislation to amend the act would be forthcoming.

According to a paper prepared for the standing committee on agriculture by the research branch of the Library of Parliament on Bill C–57, the issue of supplemental quotas was outlined as follows, and I quote: "Even though this clause 109 of C–57 may appear necessary to allow additional imports in the case of emergencies, it is not clear what the tariff would be on those supplemental imports".

The research document continued further by stating that: "It has been mentioned that artificial shortages can be created that would necessitate supplemental imports that could displace domestic products permanently. So far officials have not been able to give an appropriate answer on the level of the tariffs affecting the supplemental imports".

In testimony before the international trade committee, the Canadian Federation of Agriculture echoed those concerns as well.

• (1910)

This point must be addressed. As I said in previous debates, a situation could occur in which a processor shorted the demand. For example, in hatcheries the hatcheries control the purchase of the breeder birds so it is not difficult for them to plan to be short and need supplementals.

As a result of shorting needs, they demand supplementals. The manufacturer would apply for same and would be granted tariff free supplemental import permits and that would go a long way to breaking the supply management system.

The question remains why has the minister not introduced the appropriate amendments to the Customs Tariffs Act to address the concerns expressed. My grave concern as well is that if these amendments are not encompassed in legislation and are just encompassed in regulation it becomes very easy for some minister down the road who does not support supply management to the extent that this government does to allow that little weakening in terms of the legislation to see the supply management system destroyed over time.

The only other point I want to make and question the minister on is that Bill C–57 contains no provisions to ensure that exporters of grain have any warning with respect to when the cap on volume or the cap on expenditures under the WGTA and the new requirements of the GATT will be reached. This result could be that commitments and sales made by the Canadian Wheat

Board at a set price could well be negatively impacted if the caps are attained prior to the movement of grain involved.

How will this issue be addressed and what would be the impact on the marketing of the Canadian Wheat Board, its ability to market at top dollar and access supplies? I raise those questions to the minister out of a deeply felt concern.

[*Translation*]

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib): Mr. Speaker, the government has stated that the new tariff rate quota regime for agricultural products will include provisions for supplementary imports for various purposes. All stakeholders in the supply managed areas have agreed such access is necessary. However, legimitate questions have been raised as to the terms on which access for the specific purpose of preventing a market shortage should be allowed.

On the one hand, it is said that processors are increasingly able to control the level of production, especially in the poultry sectors, and so can artificially create a market shortage if they know they have guaranteed access to supplementary imports in such cases. Since this would reduce returns to primary producers, some argue there should be a higher duty on such supplemental imports than the one provided for within the tariff rate quota, so as to discourage such behaviour.

On the other hand, poultry and egg processors argue that they must guarantee price and supply to their costumers if they are not to lose contracts. They point out that their industries—including producers—face competition from other food products, and irregularities of price or supply will cost everyone market share.

There are also many misunderstandings about what is involved in the supplementary access scheme envisaged in Bill C–57. Perhaps I can dispel some of them.

First, current and prospective provisions of the Export and Import Permits Act enable supplementary imports but do not impose them. The government has no intention of letting in additional quantities at duty rates below the "high" MFN rate where this would be against the Canadian interest.

Second, imports for market shortages are not "within access commitment" under the proposed legislation, and will not result in permanent increases in market access. On the contrary, such imports are and will be let in at the discretion of the government.

Third, nothing in Bill C–57 prevents the government from examining the issue and introducing new rules.

• (1915)

In fact, Bill C–57 basically rolls the current system of supplementary access over in order to furnish an immediate means of allowing supplementary imports for a variety of reasons, including enhancing export competitiveness.

Finally, the situation calls for careful analysis and broad consultation. Should the government determine that additional duties on supplementary imports of supply managed products are advisable, we will take all appropriate measures to institute such a system, including legislation, if necessary. However, changing Bill C–57 to effect this would short–circuit the consultative process, and is not in the government's plans.

[*English*]

VIOLENCE AGAINST WOMEN

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, I wish to elaborate on a previous question that I put to the Minister of Justice on December 1, 1994 in the context of this day being recognized as a national day of remembrance and action to end violence against women. I asked what measures are being implemented to ensure that women are protected from violence.

On this day of solemn commemoration we are invited to recognize the many women who have died as victims of violence and abuse and we are reminded that thousands of others live every day in danger and in fear. For this day to take on its full significance I would like to see this House act even more comprehensively.

Until recently the issue of violence against women was hidden within the private sphere and as such was generally ignored or trivialized. Fortunately we are coming to realize that violence against women is in clear violation of human rights. It robs women of their self–esteem, dignity and in some cases their life.

Since Statistics Canada conducted its first national survey on violence against women in 1993, which is the first one of its kind worldwide, the gravity of the situation has been brought to light. According to the survey, as many as 51 per cent of Canadian women have experienced at least one incident of physical or sexual violence since the age of 16. Almost 45 per cent of all women experience violence by men known to them, their dates, boyfriends, marital partners, friends, family or neighbours. Whereas a woman is shot every six days in Canada, firearms are the weapon of choice for spousal homicides. During the period between 1974 and 1992, 42 per cent of the women killed by their spouses were shot.

As shattering as these statistics are they only account for part of the problem since Statistics Canada defines violence as experience of physical or sexual assault. It does not touch upon the other dimensions of violence to which many women are subject.

Three other areas were identified in the 1993 report, *Changing the Landscape, Ending Violence, Achieving Equality.* They are psychological violence which encompasses various tactics to undermine a woman's self–confidence; financial violence, whereby a woman's access to employment or investment opportunities are denied by her partner or family members; and

spiritual abuse in which the cultural or religious beliefs are destroyed through ridicule or punishment.

A wide range of indicators give evidence that this societal ill is pervasive and systemic. As a result, women from all walks of life are targets of various acts of violence.

Not only are the causes and the forms of violence against women extremely insidious, but so too are their effects. Such violence scars not only women but also the children and the men around them. It marks the body, but it also deeply wounds the mind and the spirit of those affected. As a result of having been abused a woman's physical and/or mental health can be at stake. Her chance of advancement in her working life may be jeopardized and her interpersonal skills generally deteriorate.

As well as having these devastating effects on the women concerned, such violence is proven to seriously destabilize the children who witness it. Boys who are brought up in an abusive household are more likely to become violent fathers and girls are more likely to become victims at the hands of their future partners.

Canada has played a leadership role internationally in initiating the UN declaration on the elimination of violence against women, recognizing the urgent need for the universal application to women of the rights and principles with regard to equality, security, integrity and dignity of all persons.

The red book called for a justice system that will work to ensure safe homes, safe streets. While other ministries of this government will play important roles, I ask the Minister of Justice today, how does he intend to address this very important issue of ending violence against women?

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, today marks the sad anniversary of the murder of 14 young women at l'École polytechnique in Montreal.

The government recognizes the devastating effects of violence against women and is striving to improve its response to help victims and to stop the offenders. As examples of the work being done in the Department of Justice to address the issue of violence against women let me mention the following.

The new firearms initiatives will provide a clear and effective response to try and prevent women from being killed by guns. Bill C–42 proposes amendments to the Criminal Code which would allow police and others to apply for a peace bond on behalf of a person at risk. Bill C–41 proposes sentencing reforms and would make abuse of a position of trust or authority in the commission of an offence an aggravating factor in sentencing. Dealing with violence against women remains one of the government's highest priorities in the justice area.

At the end of the week consultations will take place with women's groups on how to respond to the Supreme Court's decision to allow defence of extreme drunkenness, where a man had sexually assaulted a woman while intoxicated. The Minister of Justice has already indicated his intention to respond to the problems arising from the Daviault decision and is looking at a criminal intoxication proposal.

Dealing with violence against women remains one of the government's highest priorities in the justice area.

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 2 p.m. Good evening to all.

(The House adjourned at 7.22 p.m.)

HOUSE OF COMMONS

Wednesday, December 7, 1994

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

SAINT JOHN WEATHER OFFICE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I have recently been informed that Environment Canada has decided to move the Saint John weather office to Fredericton, New Brunswick.

I believe this change will have a wide–reaching negative impact on the city of Saint John. Because of the government's decision the Saint John city works department supervisors who plan snow removal for the next day will have to base their decision on a forecast from Fredericton which is 60 miles inland or else rely on the local forecast that may be five hours old.

Having up to the minute forecasts is critical to the Saint John works department, schools, the airport and our port. Saint John has a reputation for having its own unique weather. For example fog which can occur without warning and certainly is undetectable from Fredericton, New Brunswick.

I ask the Minister of Environment for safety's sake to reconsider this decision and return full meteorological service to Saint John, New Brunswick.

* * *

VIOLENCE

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, yesterday in this House we remembered the fifth anniversary of the tragic death of 14 young women at l'École polytechnique in Montreal. We strongly emphasized the need to end violence against women.

All violence is an assault on the sanctity of human life and the thief of personal dignity. Whether this violence occurs in the home or on the street, whether it is directed at men, women or children, it abuses the soul and violates the body.

Human beings have the potential for immense noble acts while at the same time we can be immensely cruel. By a single word we can make our neighbour feel like a king or a pauper. By a single act we can create life or destroy it.

I call upon all members of this honourable House to enhance their efforts to end not only violence against women but violence against all people.

* * *

[*Translation*]

MICHEL TREMBLAY

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, last Saturday, the Mouvement national des Québécois et Québécoises presented one of Quebec's most noted authors, Michel Tremblay, with the 1994 Silver Medal.

A prolific writer, Michel Tremblay is one of a short list of Quebec playwrights whose works are played on all five continents.

Approximately 100 artists from Quebec paid tribute to the recipient in a skilful production directed by André Montmorency.

At the end of this magnificent evening, Mr. Tremblay impulsively, and with characteristic generosity, dedicated his award to our leader, Mr. Bouchard.

Louise Laurin, the president of the movement, said that the tribute being paid to Michel Tremblay that evening was in recognition of the generous contribution of the author to the development and dissemination of our culture. Thank you, Michel Tremblay.

* * *

[*English*]

PEACEKEEPING

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the defence review has acknowledged that Parliament needs to have criteria in place for peacekeeping missions, criteria like when should a mission be undertaken, what are the goals for our peacekeepers and more important, when should Canada withdraw.

The lack of criteria has resulted in the distressing capture of 55 courageous Canadian peacekeepers in the former Yugoslavia. The government dithers on while the UN mission becomes the

laughing–stock of the world and our soldiers are held hostage by armed forces intent on finishing their war and not contributing to peace.

Today I will introduce a private member's bill called the peacekeeping bill. It would require the government to pass a resolution in this House before a peacekeeping mission starts. The resolution would lay out the goals, duration and maximum cost of the mission. Once the resolution expired, troops would be withdrawn or a new resolution passed to continue the mission.

A peacekeeping bill would allow Parliament to ask the hard questions before peacekeeping missions begin and help to secure the lives of our peacekeepers.

* * *

INTERNATIONAL CIVIL AVIATION ORGANIZATION

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, today is the 50th anniversary of the International Civil Aviation Organization, ICAO.

As the only United Nations agency with headquarters in Canada, it covers the bilateral international accords governing landing and access rights and passage through air space, control of aerial piracy, illegal diversion of aircraft. It also covers issues of hostile military action against civil passenger aircraft as with the Korean Airlines incident of 1983 and the Iranian airbus incident of 1987.

As a former director of the McGill University Institute and Centre of Air and Space Law, I salute ICAO and its mandate for the freedom of the air and politically secure and economically viable international air transportation.

* * *

DRUNK DRIVERS

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I recently spent two days at the international border crossing at Fort Erie in my riding. I observed the operation of our hardworking customs and immigration officers and discussed various issues with them.

After spending some time observing the procedures on the primary inspection line during the evening shift I became concerned about the lack of sobriety of motor vehicle drivers returning to Canada from the United States.

The public fully expects that our Canadian roads are to be protected from drunk drivers and are of the opinion that our customs officers have the right to detain such individuals. The reality is that our customs officers have no such authority. The inability of our border personnel to lawfully detain suspected intoxicated drivers or demand that they submit to a breathalyser test is unsatisfactory.

• (1405)

I ask the Minister of Justice and the Minister of National Revenue to reconsider the powers of our customs officers with a view to correcting this unacceptable situation.

* * *

JUSTICE

Ms. Colleen Beaumier (Brampton, Lib.): Mr. Speaker, the recent decision by the Supreme Court of Canada that drunkenness is a defence for rape has led to cries from Canadians for a change in these laws. These cries have grown louder in recent weeks as we have seen a number of cases in which individuals have successfully used the drunkenness defence to escape conviction for the horrendous crime of sexual assault.

I have been contacted by a number of my constituents who are upset and disillusioned with the Supreme Court of Canada's decision. I share their concerns and their outrage.

On behalf of my constituents I would like to inform all members of this House that the people of Brampton support the introduction of new legislation which will ensure that individuals who commit a serious crime serve the time, whether or not they have consumed alcohol.

It is up to every member of this House to ensure that the outrage which Canadians feel is promptly translated into new legislation.

* * *

[*Translation*]

INTERNATIONAL CIVIL AVIATION ORGANIZATION

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, the international civil aviation organization, or ICAO, the only UN agency based in Canada and one of its oldest components, is celebrating its 50th anniversary today in the presence of the UN Secretary–General, Boutros Boutros–Ghali.

Based in Montreal, like more than 30 other international organizations, including the International Air Transport Association and the secretariat for the Montreal Protocol Multilateral Fund on Substances that Deplete the Ozone Layer, ICAO exemplifies the vitality of Quebec's chief city internationally.

It is this internationalism that the federal government was forced to recognize last winter by allowing the head office of the NAFTA environment committee to be based in Montreal. Dynamic, cosmopolitan and open to the world, Montreal will make a proud chief city in a sovereign Quebec.

[*English*]

SEXUAL ORIENTATION

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, there has been much debate about sexual orientation and issues concerning the rights and status of gays and lesbians in our society. I believe that there are two parts to this issue. The first is a matter of discrimination and the legal rights of the individual; the second is group rights.

I personally support the addition of sexual orientation as a prohibited ground of discrimination in the Canadian Human Rights Act providing that sexual orientation is defined as homosexuality, heterosexuality or bisexuality.

Canadians must decide whether or not they want to give same sex relationships the same rights and benefits as heterosexual relationships. Personally, I do not support granting gay and lesbian couples the same status as heterosexual couples with regard to marriage, adoption and common law rights.

A spouse should continue to be defined as a member of the opposite sex and the family defined as those related by blood, adoption or marriage.

* * *

EAST TIMOR

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, today marks the 19th anniversary of the Indonesian invasion of East Timor. Since 1974, over 200,000 people, one–third of the population, have died in the genocide. Recent reports indicate that the repression continues with acts such as shutting down key media outlets, banning trade unions and arresting union leaders.

At the recent APEC summit, Canada managed to secure a number of important contracts but the silence on human rights abuses was deafening.

The situation in East Timor received international attention during the APEC meeting, but with the international spotlight gone the Indonesian government can continue to repress the people of East Timor.

It is imperative that pressure be put on now. Canada should end its arms sales to Indonesia and support an international embargo. We should put pressure on the Indonesian government to release all political prisoners, in particular Xanana Gusmao, leader of the independence movement. Canada should support independence and self–determination for the people of East Timor and show full respect for UN Resolutions 389 and 384.

[*Translation*]

PARTI QUEBECOIS

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, yesterday, the Premier of Quebec tabled his so–called draft bill on Quebec independence. The object of this exercise is to rush Quebecers into an empty debate on what an independent Quebec state would look like, without even knowing if they are in favour of this ill–advised venture. This bit of trickery amounts to putting the cart before the horse.

Given the fragile mandate which the Parti Quebecois received in the last provincial election, I can easily understand why the separatists do not dare ask the only question that counts: Do you want to stay in Canada, yes or no?

Despite the games being played by the Parti Quebecois, I have no doubt that Quebecers will choose to remain and continue to grow in Canada.

* * *

• (1410)

RADIO STATION CJEM

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, radio station CJEM in Edmundston, New Brunswick, is celebrating the 50th anniversary of its founding; it started broadcasting 50 years ago.

Under the direction of its founders, CJEM has been a source of relevant information and entertainment for the local population since December 4, 1944. CJEM was also the first French–language radio station in the Maritimes, which illustrates very well the vitality and creativity of the people in my riding and their interest in promoting the French fact.

I extend to them my sincere congratulations on their 50th anniversary and wish them continued prosperity in the years to come.

* * *

CHILDREN FOR PEACE

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Mr. Speaker, I am proud to rise to thank over one hundred children from my riding who sent me drawings, as well as messages of peace, hope and friendship.

These touching messages come from pupils in grade two at École Saint–Paul, Maria, in grade four at École Père–Pacifique, Pointe–à–la–Croix, in grade one at École Bourg, Carleton, and in grade four at École Bois–Vivant, New–Richmond. Their drawings convey messages such as: "Every child has a right to

be protected", "I want children to live in love", and "Let us make sure fewer children die very young".

It is my hope that these messages will inspire all young Canadians, at a time when we are debating the gun control issue and on the day after the sad anniversary of the killing of 14 young women at Montreal's École polytechnique. Fortunately, these drawings are a source of hope for a better future.

* * *

DRAFT BILL ON SOVEREIGNTY

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, yesterday, the Quebec Premier unveiled his proposed sovereignty plan to Quebecers. The process is characterized by a deep respect for the democratic principles in which Quebecers firmly believe.

The fact that those who patriated the Constitution in 1982 without Quebec's approval and those who concocted the Charlottetown referendum without any mandate from Canadians are now criticizing a transparent and legitimate process is confirmation that cynicism never killed anyone.

In 1990, the Parti Quebecois agreed to participate in the Bélanger–Campeau Commission, even though the Liberal government had no mandate and the conditions were far from equal for all involved. The difference is that the PQ had convictions and a vision to propose.

Today, the sovereignists are in control. They want to invite all Quebecers to participate in the process. The federalist parties are free to boycott it. As for us Bloc Quebecois members, we will listen to Quebecers and build a country that reflects who we are.

* * *

[*English*]

WESTERN ECONOMIC DIVERSIFICATION

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, western economic diversification boasts about how many jobs it has created since the Tories invented the program in 1987.

Forget about the millions of dollars in write–offs and grants. There is one shining star that western diversification can trumpet about and he is Iain Williamson. Who is he, the Liberals might ask. He is a man who some would define as a real entrepreneur. He saw a unique opportunity created by federal government largesse.

Williamson wrote the book entitled: *Your Guide to Government Financial Assistance for Business in Manitoba.* You guessed it. He writes about finding taxpayers' money for your business. If you run a small business and are in receivership or default of a loan, don't worry, be happy. Just apply for the small business financing program.

Yes, the Liberals should be proud that they have created one good job by giving Williamson lots to write about.

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CANADIAN WHEAT BOARD

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, the election last week of the Canadian Wheat Board advisory committee was a clear victory for those supporting the principles of orderly marketing.

Ten out of eleven candidates running won for the pro–board side. That is the highest number of candidates on the pro–board side ever elected. It comes at a time when promoters of the open market dual marketing system so–called were sowing seeds of misinformation on the board and trying their hardest to undermine orderly marketing. Some even supported tactics of breaking the law. It goes to show that the rhetoric and publicity tactics of the anti–board groups are just that, rhetoric but no substance and little support. Every wheat board permit holder had the right to vote in this election. The evidence is in. Congratulations. The government must now continue to support and strengthen the Canadian Wheat Board.

* * *

• (1415)

SMALL BUSINESS

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, on behalf of small business owners in Vancouver South I congratulate the Minister of Industry for the bold measures which he has introduced for Canada's small business community. Through those measures outlined in "Building a More Innovative Economy" the minister has managed to strike the necessary balance between less government and better government; less government in areas like regulation, taxation and paperwork, and better government in areas like procurement, trading opportunities, business training and transportation.

I hope that a careful reading of the minister's plan will demonstrate to all members of this House that a vibrant economy is built on a well thought out and proactive plan. It can never be achieved through a simple minded slash and burn policy as promoted by members of the Reform Party.

During the election campaign we promised to make small business the centrepiece of our economic strategy. With the release of this plan I am proud to see that this government has kept yet another election promise.

ORAL QUESTION PERIOD

[*Translation*]

DRAFT BILL ON SOVEREIGNTY

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is for the Deputy Prime Minister. Yesterday, the Premier of Quebec announced his government's approach to the referendum and invited Quebecers to a wide–ranging debate on their political future. The Deputy Prime Minister called the draft bill on Quebec's sovereignty a fraud and an illegitimate, undemocratic manoeuvre.

How can the Deputy Prime Minister call this draft bill illegitimate when it fully respects the provisions of Quebec's referendum law, the same one under which referendums were held in May 1980 and in October 1992 on the Charlottetown Accord?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, in our opinion, neither the form nor the content of the draft bill presented yesterday complies with Quebec's referendum legislation, which requires parity among the parties. As Mr. Johnson clearly showed yesterday, Mr. Parizeau's law does not provide for regional commissions where the various parties are represented equally. As for the substance, once again, they talk about the process even before the consequence of the process leading to separation has been put to a referendum.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, are we to understand that the federal government refuses to participate in the process initiated by the Government of Quebec because the Prime Minister of Canada and his government have nothing to offer but the constitutional status quo, which they know is rejected by a very large segment of Quebec's population?

Some hon. members: Hear, hear.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, what we have to offer is a federalist option which is clearly supported by most Quebecers.

Some hon. members: Hear, hear.

Mr. Massé: It is clear that well over 60 per cent of Quebecers oppose separation and it is also clear that if they are given a clear, honest question, the great majority of Quebecers will support the federalist option.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, you will agree that it is harder and harder to define what the federalists are proposing, since the Prime Minister talks about a fixed status quo and the federalist spokesman in Quebec, Daniel Johnson, talks about renewed federalism.

How can the Minister of Intergovernmental Affairs justify his government's refusal to get involved in this debate? Are they so afraid of presenting Quebecers with a real debate on the two options: sovereignty or their status quo?

• (1420)

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, speaking of returning to models from the past, we can very well ask the opposition why they talk about economic association.

That being said, the federalist option is not only closest to what Quebecers want but is also the one we intend to defend when the referendum will be called. There must be not only a separatist option but also a federalist option. The federalism which we propose is flexible; it is a federalism that works. In the last year, it produced 63 agreements between the federal government and the various provinces, including 8 with Quebec. What the opposition shows us is that it is not prepared to co–operate for the good of Quebec through proper relationships between the federal government and the government of Quebec.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is directed to the Deputy Prime Minister.

In response to the draft bill tabled by the Government of Quebec yesterday, the Deputy Prime Minister stated, and I quote:

[*English*]

"We do not intend to play that game. We intend to ask the people of Quebec a very clear question: Do you want to stay with Canada or do you want to separate?"

[*Translation*]

By saying this, she implied that the federal government might again conduct its own referendum to ask Quebecers to decide on their political future.

Could the Deputy Prime Minister tell us whether her government still intends to conduct its own referendum on the sovereignty of Quebec, thus bypassing the National Assembly?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, what I said yesterday and what I am saying again today is that if the Premier of Quebec intends to be frank with the people and if he is not afraid to act on his principles, the referendum question in Quebec will be quite straightforward: Do you want to separate from Canada, yes or no?

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Deputy Prime Minister has therefore not excluded that possibility, although the federalist leader in Quebec, Daniel Johnson, made it quite clear yesterday that it was up to Quebecers and Quebecers alone to answer this question, in a process initiated by the National Assembly of Quebec and not by the federal government.

Nevertheless I would like to ask the Deputy Prime Minister if by excluding any federal participation in the consultation process, she means that a federal strategy is already in place and will be limited to spending tens of millions of dollars to sing the praises of Canada, as was the case in 1980.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in fact, the only political party that is not playing fair at present is the Parti Quebecois.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, yesterday the Quebec government began to put forward in legislative terms its vision of a sovereign Quebec. Canadians are now expecting the federal government will be putting forward in clearer terms its vision of the federalist option which can be used to counter separatist sentiments in Quebec and to challenge discontented federalists across the country.

Can the Deputy Prime Minister share briefly with the House the essence of the federalist option with which the government proposes to counter the narrow separatist vision?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister and the Government of Canada will pursue the option that we have pursued for the past year and that is challenging the status quo, being prepared to move on areas like social policy reforms in areas that are desperately needed; being prepared to move to get our financial house in order so that we meet our 3 per cent of GDP objective.

We propose to convince Quebecers that Canada is a pretty good place by providing good government.

• (1425)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, if the government is not prepared to be visionary at least it must have given some thought to the principles that would guide its reactions to separatist initiatives.

For example, the charter says that Canada is founded upon the principle that recognizes the supremacy of law. If that principle is to guide federal government reactions then at least it should be willing to put forward an opinion on the legality or illegality of separatist initiatives.

Can the Deputy Prime Minister at least tell the House as a bare minimum what principles will guide federal reactions to separatist initiatives?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the guiding principle of the Government of Canada is that we have an obligation to all the people of Canada to keep this country together and we are going to fight very hard to ensure that every Canadian shares in the wealth and the greatness of the greatest nation on earth.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the inadequacy of the Deputy Prime Minister's response simply illustrates our concerns. It would appear that the federal government after having had a year to think hard on this issue is making up its responses as it goes along.

Do these half baked political answers actually represent the best thinking of the national government on the most profound challenge that a federal administration can face?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, it is the intention of the Government of Canada to support the objectives of this great nation at every turn. It is the objective of the Government of Canada to encourage all opposition parties that believe in Canada to work with us in building this great nation. Do not work with the opposition, whose sole objective is to destroy it.

* * *

[*Translation*]

BOSNIA

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

Faced with the bitter failure of the efforts deployed by the international community to bring to an end the conflict in Bosnia, France and the United Kingdom went one step further today towards a pullout of troops from Bosnia, when they asked NATO and the UN to examine the conditions of an eventual withdrawal of their contingents of peacekeepers.

Is the Deputy Prime Minister in a position to report on the progress of the ongoing negotiations and tell us whether the Canadian government is also contemplating the pullout of its own peacekeepers?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Prime Minister has made it clear that we are not prepared to withdraw our troops from the former Yugoslavia unless the arms embargo is lifted.

We believe the situation is extremely volatile. We believe that we, the members of UNPROFOR, the United Nations in ex–Yugoslavia, continue to discharge our mandate.

We are concerned with reports from some of our allies about a precipitous withdrawal. Obviously, and this has been raised before in the House by other members, NATO has plans that are being worked on should there require a withdrawal of forces. At the moment that is not Canada's position.

Next week there will be the regular defence planning committee meeting in Brussels which I shall attend, as will General de Chastelain, chief of the defence staff, and some of these questions will be explored in greater detail.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, does the Minister of National Defence not recognize that the potential withdrawal of UNPROFOR peacekeepers from Bosnia would be, as mentioned earlier, catastrophic, both in military and humanitarian terms, for the government forces and the civilian population of Bosnia? Can he tell us what alternative Canada intends to propose to the member countries of the contact group?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we share the hon. member's analysis. The Prime Minister has been quite explicit on the point that if the United Nations forces were to leave Bosnia and Croatia in light of the conditions of the last few weeks this would cause a great deterioration of the situation and we believe the bloodshed would be considerable.

• (1430)

That is the reason why Canada has steadfastly maintained that the only way out of this morass is for the warring parties to agree to continue negotiations, whether that be done through proposals submitted by the contact group or others or under the auspices of the UN in general.

The only way out of this situation is for the international community to negotiate with the warring parties in Bosnia and Croatia so we can bring some kind of stability to the region.

* * *

[*Translation*]

REFERENDUM ON QUEBEC SOVEREIGNTY

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, last night, on the TV program *Le Point*, the Minister of Intergovernmental Affairs said that if the referendum question in Quebec is not an honest question on Quebec separation, the federal government would consider holding its own referendum and asking its own question. He said: "I imagine that we would then have to ask that question ourselves".

Can the minister confirm to the House that a referendum is indeed an option for the federal government?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, although the federal government does not want to hold a referendum in Quebec, the referendum question must be a clear and honest question whose results will be meaningful. In our opinion, there are only two options: flexible federalism and separation. We expect the referendum to ask that question.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I asked a question on options and I take the minister's answer to be "yes".

[*English*]

The minister will know that the matters raised in the Quebec sovereignty bill are of deep concern to all Canadians and through this Parliament are under the jurisdiction of all Canadians. Will the minister confirm for the House that the government's referendum options include the option of a national referendum?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I will repeat my answer.

The federal government does not want to have a referendum in Quebec. We expect the referendum that is going to be held in Quebec will be a fair referendum that will ask the question clearly. That question is: Do Quebecers want to separate or do they want to stay in Canada?

* * *

[*Translation*]

REGISTERED RETIREMENT SAVINGS PLANS

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of Finance.

While the minister accuses the Bloc Quebecois of creating a climate of uncertainty on RRSPs, last Friday the *Financial Post* mentioned that the minister is considering imposing a one–per–cent tax on the assets of $500 billion held in pension plans and RRSPs.

Will the minister confirm that imposing this hidden tax of five billion dollars on assets in pension plans and RRSPs could eventually reduce by 24 per cent the value of these retirement funds?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I did not make any comment regarding a tax such as the one described by the hon. member. As the hon. member knows, I have no intention of making any comment or taking any action before the budget. However, I am here to accept representations and I do accept the hon. member's.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, I am certainly not suggesting such a tax, quite the contrary.

Since the government is borrowing more and more abroad and Statistics Canada tells us that the personal savings rate is at its lowest level in 23 years, does the minister not agree that taxing RRSPs and pension plans would significantly hurt savings and investments?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, there is no question that the level of savings in Canada has to go up, if we are serious about promoting a growth–based economy. One of the best ways to achieve that is to have political certainty, and it is my hope that we will have such certainty before long.

* * *

[*English*]

BOSNIA

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, a week ago the Minister of National Defence said this about Bosnia: "We in Canada believe that obviously those detained should be released, that the hostilities should cease, there should be a ceasefire and that the Sarajevo airport should be reopened". He then hoped that the combatants would get down to meaningful discussions and negotiations within the next few days.

• (1435)

The minister is zero and five. Will the government stop wringing its hands and hoping for miracles and call for the multilateral withdrawal of UN forces from Bosnia?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I answered that a little earlier and the Prime Minister has answered it. No.

We continue to remain extremely concerned about the plight of the 55 Canadians detained in Bosnia. We had assurances as late as yesterday that the Bosnian Serb forces will be releasing those people detained, including the Canadians. We hope they will discharge their promises at this particular time.

The reasoning the hon. member is using is not shared by the government. We are not wringing our hands. The deputy minister of foreign affairs was in Belgrade yesterday and gave a very stiff message to the president and foreign minister of Yugoslavia, as it is constituted in Belgrade.

Our Prime Minister has also been very forceful in demanding the return of the Canadians who are being detained.

When the Prime Minister returns later this evening we will be having further discussions with him. Perhaps we will be able to clarify our position and mollify the hon. member somewhat.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the complete failure of the CSCE summit in Budapest and the failure of the Prime Minister to even state his position during the Bosnian debate proved beyond a shadow of a doubt that Canadian and UN peacekeepers have done their best. However the situation is beyond their mandate. The government wants a negotiated peace. But it wants what it cannot have.

At what point will the government accept that no negotiated settlement is forthcoming and pull out our troops?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I have answered the specific question and so has the Prime Minister.

However, I take great umbrage. The hon. member has criticized our Prime Minister representing Canada in an international forum where he made Canada's position absolutely clear. I resent that.

* * *

[*Translation*]

ETHICS

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is directed to the Minister of Health.

Two weeks after we heard that the Director of the Bureau of Veterinary Drugs at Health Canada was lobbying on behalf of a number of pharmaceutical companies, the Minister of Health seems unable to say whether the behaviour of her official complies with the government's code of ethics on conflict of interest. I will give the minister a chance to give us a clear answer.

Could the Minister of Health tell us whether Mr. Ritter's behaviour violated the government's code of ethics on conflict of interest?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, as I said before in this House, I asked my deputy minister to look into the matter, and I am sure she will give me a report very

shortly. When she does, I will be happy to share all the facts with the hon. member.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, the minister has been aware of this for two weeks. What kind of reassurance is this supposed to give the public, when Mr. Ritter, the lobbyist, was seen yesterday at the Bureau of Veterinary Drugs of Health Canada, the Bureau whose director he continues to be, Mr. Speaker?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, as I said before, I am waiting for my deputy minister's answer. If the hon. member has any information that might be useful, he should get in touch with the department, and he is welcome to do so. That is how we run things here.

* * *

[*English*]

NUCLEAR WEAPONS

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, recently at the United Nations, Canada abstained on a resolution asking the International Court of Justice for an opinion on the legality of the threat or use of nuclear weapons.

In light of the minister of state for foreign affairs recent statement to the UN General Assembly in which she advocated strenghthening the human rights and environmental functions within the United Nations, can she assure the House that when the same resolution comes to a vote in the General Assembly, Canada will no longer abstain but vote for nuclear responsibility and support the resolution?

• (1440)

Hon. Christine Stewart (Secretary of State (Latin America and Africa), Lib.): Mr. Speaker, it was in the General Assembly that Canada abstained on the resolution to which my colleague refers.

It is very important to stress that Canada's goal as a nation is the elimination of all nuclear weapons worldwide. We are trying to develop incrementally a consensus around the world on this issue. In the meantime, we will work very actively internationally to try to enhance a nuclear non–proliferation treaty and a comprehensive test ban treaty.

We consider this is very important for all the same reasons but including the protection of the environment and humanity.

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GOVERNMENT EXPENDITURES

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, despite warnings from the OECD and the IMF about the need for deeper spending cuts, ministers, like the Minister of Justice, continue to lay legislative proposals before the House without a cost analysis or projections.

Will the finance minister agree, given our current financial situation, it is inexcusable for any minister to present any program or legislative initiative to the House without an analysis of the cost to the taxpayers?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I can respond on behalf of myself by saying that the government examined the cost implications of every element of its firearms control program.

In accordance with the ordinary parliamentary process those matters will be examined in detail before the relevant committee of the House.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have a supplementary question. The government continues to give fuzzy answers. Now is not the time for fuzzy answers, particularly on spending or taxation.

Will the minister calm concerned Canadians and state clearly that there will be no new taxes or tax increases in the February budget? The choice is the minister's: Santa or Scrooge.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I have stated on many occasions in the House that I am not going to comment on matters that will be brought forward in the budget. That is the answer to the member's supplementary question.

However, in response to his first question that basically said that one should provide for the impact of one's recommendations or one's legislation, I say that people in glass houses should not throw stones. Why is it that Reform Party members, when they come down with their studies, refuse to show the impact of what they are recommending? Is it because they know what those recommendations would do to the Canadian people and to the Canadian economy?

* * *

[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is directed to the Minister of Intergovernmental Affairs.

Last week, the Minister of Intergovernmental Affairs turned down an invitation from the mayor of Saint–Jean who was hoping to resume discussions on the future of the Collège militaire de Saint–Jean, on the basis of his proposal. The minister has yet to respond to a letter sent to him on December 2 by his Quebec counterpart, inviting him to delegate officials for the purpose of resuming negotiations.

Does the lack of a prompt response from the minister mean that the Minister of Intergovernmental Affairs is still refusing to delegate officials from his department to resume discussions on the basis of the proposal by the mayor of Saint–Jean?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, we are now considering the proposals made by Minister Beaudoin and Mayor Smereka.

I think we should remember that a federal proposal was tabled, and signed and accepted by the Government of Quebec, a proposal in which the federal government offered $25 million over five years to cover the transition period.

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, since time is of the essence and, as of January, employees have to decide whether they will accept a transfer, how can the minister justify the delay in dealing with the matter of the Collège militaire de Saint–Jean? Is that his flexible federalism?

• (1445)

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I find it difficult to take this question seriously, since we have on the table an offer dated July 19 that was signed by the Government of Quebec, and since September 12, the Government of Quebec has refused to budge. We have a situation where for months the Government of Quebec has undermined the financial security of the teachers at Saint–Jean and has prevented the Collège militaire royal de Saint–Jean from remaining open. The uncertain economic climate in the Saint–Jean area is being caused by the PQ government which, so far, has refused to implement an agreement that was duly signed.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, my question is for the Minister of Justice.

Consideration by the Alberta government to use the notwithstanding clause of the Constitution to refute the impending new federal gun control legislation underscores the absence of any real consultation between the federal justice minister and provincial officials, in spite of assurances to the contrary by the minister.

As the opposition to his proposals begins to mount, will the Minister of Justice reveal which provincial attorneys general he consulted with and had the support of prior to November 30?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, consultation was engaged in continuously with officials in the offices of every provincial and territorial attorneys general, every one of them.

Let me add in response to the hon. member's question that consideration of invoking the notwithstanding clause in relation to the legislation reveals nothing more than a profound misunderstanding of the nature of the clause and the Constitution.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, my supplementary question is for the minister.

The provincial justice minister states that Alberta is not prepared to pay the estimated half million dollar cost of establishing a registry in the province and therefore Ottawa would have to foot the bill.

What is the overall estimated cost for the national registration of rifles and shotguns? Who is going to pay for a registration system that will not reduce the criminal use of these weapons?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the premise upon which the question is based is fundamentally flawed.

The introduction of a national registration system will not only enhance community safety, but it will choke off one of the important sources of supply for criminals getting hold of guns.

In terms of the cost, the provincial attorney general in Alberta is reported to have referred to the sum of $500,000. He did not indicate how he arrived at that sum.

Last week we published as a federal government our estimate of the cost. We fully expect that to be a very reliable estimate in all the circumstances.

* * *

ENVIRONMENT

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, my question is for the Minister of the Environment.

A Russian pipeline oil spill into the Arctic river system is rapidly becoming a major international ecological disaster. The region of the spill has no fish population to speak of and the deer population has declined by 30 to 50 per cent.

What is the government doing to protect the Arctic from the devastating results of the oil spill?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the member will know, because she is the vice–chair of the environment committee, that immediately upon learning of the bill I was in touch. It happens to be a very significant issue for the Arctic environment.

We wrote to the Government of Russia to see if we could be of assistance. The initial offer was declined. However we did receive contact via the United Nations last week that the Russians are interested in having international expertise. A ten person team including two Canadians are leaving today to go to the oil spill site to see if we might be of assistance to prevent potential devastation in the virgin Arctic.

* * *

• (1450)

[*Translation*]

REPRODUCTIVE TECHNOLOGIES

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, my question is for the Minister of Justice.

While the Liberal government has been dragging its feet for over a year on the issue of new reproductive technologies, women are selling their eggs to the IVF Canada clinic in Toronto. It is increasingly clear that the commercialization of human genetic material, embryos and foetal tissue is growing in Canada.

Since new reproductive technologies are evolving much more rapidly than the government, can the Minister of Justice admit that several recommendations in the Baird report can be implemented quickly to regulate some embryo research practices and the sale of human gametes or eggs, as is happening at the IVF Canada clinic in Toronto?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I thank the hon. member for her question. I am sure that the Bloc Quebecois member understands how complex the issue is and that she and her Bloc colleagues can appreciate the jurisdictional questions involved.

We are doing our job. We met with more than 40 groups, as well as representatives of the various provincial governments. We are preparing both a short–term and a long–term plan that will consider not only the technologies themselves but also sexual and reproductive health, because it is a matter not only of technology but also of prevention of infertility. We must do all we can to prevent potential problems.

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, does the Minister of Health seriously believe that the reasons she has just listed are sufficient to justify her department's delay in producing the report that the Minister of Justice needs to take action in this very urgent matter?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, it is passing strange that members of the Bloc Quebecois will on the one hand say: "We want a separate country; we want to do everything by ourselves", and on the other hand when it suits them will say: "We want you to impose your will on the provinces". If they want us to impose our will on the provinces in relation to new reproductive technologies, we will be glad to, but that is not the way the government normally operates.

We work with the provinces and the stakeholders. We have done a considerable amount of work and we will continue to do that work to address these very complex issues.

* * *

JUSTICE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, on Friday I asked the Solicitor General about the escape of Ian John Hutton from a halfway house in Vaughan, Ontario. It was apparent that the minister had not been informed of Hutton's unlawful absence.

Could the Solicitor General explain why a murderer, who is classified on CPIC as being violent and an escape risk, could be unlawfully at large for four days without the minister or the media being notified?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, this matter was put in the hands of the police. It is their responsibility to have this person returned to custody.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): I have a supplementary question, Mr. Speaker.

When I asked the minister on Friday why a murderer who was classified as being violent and an escape risk was serving his sentence at a halfway house, the minister replied that it was a serious matter.

Given the fact that the seriousness of the matter has been compounded by the non–notification of the escape, is the minister prepared to hold a public inquiry into the matter?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, this is a matter based on a decision made by the parole board which operates at arm's length from the minister and from the House of Commons.

I will be happy to draw the hon. member's comments to the attention of the parole board.

* * *

BANKS

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my question is for the Minister of Finance. Mr. Minister, not only have the six largest banks made record—

The Speaker: I would ask the hon. member to direct his question through the Chair.

Mr. Solomon: I apologize, Mr. Speaker.

My question is for the Minister of Finance. Not only have the six largest banks made record profits of over $4 billion, but they are also holding Canadians for ransom with high interest rates.

• (1455)

A study done by his own department points out that the top four banks hold 53 per cent of depositor assets. Inflation is at an all–time low, yet we are still being stung with a high interest rate policy that will stifle our economy and add to our debt.

Will the Minister of Finance direct the finance committee to hold a full investigation into bank practices and profits to ensure the banks pay their fair share of taxes?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is certainly the intention of the government that the banks pay their fair share of taxes. As the member knows, in addition to the normal corporate tax there is an additional large corporation tax imposed upon the banks. In addition to that there is a tax on the capital of all financial institutions.

We are obviously very concerned about the health of the economy. There have been extensive committee reports involving the banking system. I thought the industry committee came up with a very good report this year. The finance committee has as well looked at these issues. Unfortunately I am not in a position to direct the finance committee, but I obviously would be prepared to co–operate with it in any way, shape or form.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my supplementary question is for the minister.

If the minister will not direct the Standing Committee on Finance to investigate and make a recommendation to the House of Commons, will the minister give assurances to the House that the Department of Finance will ensure that the banks are at least paying their fair share of taxes on the huge profits they are earning and that they are not gouging consumers with high interest rates on loans, mortgages and agricultural and business loans.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, again I am sure the hon. member knows that according to the rules of the House I cannot direct the finance committee. In fact I can tell it very little.

I can assure the hon. member the Department of Finance will certainly make sure that the banks live up to proper business practices and that the banks pay their fair share of taxes.

EMPLOYMENT EQUITY

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, my question is for the President of the Treasury Board.

Although it is 1994 it seems that the Stone Age has returned to certain quarters in the House. We have listened to the Neanderthal ramblings of the third party on social programs, women and violence, and employment equity.

Will the President of the Treasury Board please explain slowly, so that our friends opposite will understand, why it is only fair to apply employment equity to the public service?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, employment equity was established by a Liberal government over a decade ago in the public service.

It was established because we wanted to ensure that the public service reflected the kind of population Canada has today and that it would remove unfair barriers to women, to aboriginals, to visible minorities and to the disabled from being able to gain employment in the public service. We wanted to make sure we created a level playing field.

For those who are concerned about reverse discrimination, let me point out that over half the employees of the public service are able–bodied males and half of all hirings in recent years have been able–bodied males.

The bottom line is that the merit principle is a cornerstone of hiring in the public service.

* * *

[*Translation*]

SEXUAL ORIENTATION

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Minister of Justice. We have learned that the justice minister will not be tabling the bill to prohibit discrimination on the basis of sexual orientation for what he calls strategic reasons. And yet this was one of the commitments made in the red book, and repeated by the Prime Minister. The Minister of Justice had promised to take action by the spring, then by June, September, the fall, and now he is talking of another postponement.

Are we to understand that the Minister of Justice is completely paralyzed by the Flintstone wing of his party, which systematically opposes any bill to prohibit discrimination on the basis of sexual orientation?

• (1500)

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member will be happy to know that both this minister and the government are moving quite freely, thank you very much. We are not paralysed by anything in this connection.

I want to take this opportunity to emphasize the commitment of this government in that regard. As I have said, as the Prime Minister and the Deputy Prime Minister have said, this government is committed to the introduction of amendments to the Human Rights Act to add sexual orientation as grounds on which discrimination is prohibited. I think it is not so much a question of timing. It is a question of principle and commitment and that bill will be introduced in this House.

* * *

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the health minister has just said that this government works together with the provinces.

My question is for the justice minister. The legislative assembly of Saskatchewan has voted unanimously to oppose any further gun controls and he has had a letter to this effect. The chief law enforcement officer for the province of Saskatchewan is concerned about how he will be able to enforce gun control laws which the majority of voters in the province know are unfair and unnecessary to control violent crime.

The minister said he has consulted. He should be aware he has a major problem. Has he taken a head count of all of the justice ministers in this country to find out which of them support his proposals and which do not?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we do not govern by head count. We govern by what is right.

This government's assessment of what is right was demonstrated last week in writing when I tabled our decision document in the House of Commons. That is this government's assessment of what is right.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

The Speaker: I am sure all hon. members will want to hear the response of the minister.

Mr. Rock: In concluding, Mr. Speaker, I want the hon. member to know that I have a decent respect for the opinion of my provincial and territorial counterparts but in the final analysis this is a matter for this federal government to deal with.

We are showing leadership on the issue. Our decisions were announced last week.

The Speaker: I have a question of privilege, followed by a point of order. The hon. member for Kingston and the Islands on a question of privilege.

* * *

PRIVILEGE

SIR JOHN A. MACDONALD

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I rise on a very important question of privilege that touches on my ability to represent my riding in this House.

Yesterday all hon. members received, I believe from Your Honour, a book entitled *The Prime Ministers of Canada*. It is a green book presented by the House of Commons and the National Archives of Canada.

I was appalled when I opened the book and read on the page describing my distinguished predecessor, Sir John A. Macdonald, that he represented three constituencies at various times: Marquette, Manitoba; Victoria, British Columbia; Carleton and Lennox, Ontario.

Everybody knows that Sir John A. Macdonald was the member for Kingston. He was first elected as the member for Kingston in 1844 and he served in the legislature of the United Canadas until Confederation. From 1867 until 1891 he was a member for Kingston in this House except—

The Speaker: I knew that. I am not sure it is a question of privilege but I am sure that he does have a grievance and I undertake to have a look at the book and if I can do anything at all to change it I will do so.

If it is necessary I will get back to the House but I think I would like to let that matter sleep. If the hon. member wants to see me later in my chambers I will be there.

* * *

POINTS OF ORDER

PARLIAMENTARY LANGUAGE

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I beg your indulgence to raise a point of order which touches on a ruling made by the Chair in debate during private members' hour last night.

• (1505)

I want to assure you off the top, Mr. Speaker, that I intend no disrespect toward you. I seek only explanation and clarification.

In debate last night I used the word "meanspirited". That word was ruled by the Speaker as being unparliamentary. I must say that I was surprised but I withdrew the word immediately.

Mr. Speaker, I am looking for guidance and clarification from you because I do not find the offending word in Beauchesne's and I wonder whether we have wandered unintentionally into territory where there is undue restriction on expression in this House.

I appreciate that the Chair made similar rulings on November 23 and November 25 past, but my examination of those rulings leads me to believe they are based more or less on context. In other words, I do not see "meanspirited"—

The Speaker: The hon. member is referring to a ruling that I made in this House with regard to the word "meanspirited". As a general rule I do not take time to explain all of the decisions I make. However, I was hoping in ruling out the word "meanspirited" to lower the tone of words being used in Parliament.

The hon. member is absolutely correct, the word does not appear as unparliamentary in any of our books we look at for words that are unparliamentary. However, from time to time words are added to it. In my judgment on the spirit in which the word was used, I thought if it were withdrawn it would make for better debate in the House.

As for the ruling made by our Deputy Speaker, this was in keeping with his responsibilities. The context of the word, the context in which it is used many times and the tone of the word sometimes make that decision for us.

With respect to my hon. colleague, I would prefer that the word "meanspirited" not be used in our vocabulary as we go back and forth. It is not my intention in any way to restrict debate in this House. I would hope that all members would give enough latitude to the Chair to see to it that at least in debate with one another we would use words where possible that are less offensive.

I thank the hon. member and I would hope that he would respect the decision we had made earlier with regard to this word.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I wish to rise on the same point of order to reiterate what my friend has said. The words that Your Honour just used—I say this with the greatest respect—are clearly indicative of what Your Honour meant when you ruled this out of order in Question Period on November 23. Question Period is a different time when there is no opportunity for discussion. However, on two occasions since then the Deputy Speaker has chosen to state that this word is out of order because of the ruling on November 23.

While the word may be one that in certain circumstances could cause disorder in the House and may therefore not be permitted, it is one that has been used in this House for a long time. I do not understand why it is automatically out of order now whenever it is used.

I think the point the hon. member was seeking to make is while it may have been out of order in Question Period on November 23 and Your Honour has given a reason why that was so and that is accepted, to say the word is therefore unparliamentary on all other occasions is taking a word which is not a particularly nasty one when compared with the others in Beauchesne's which I could read at length that have been ruled to be unparliamentary—

The Speaker: Order. We are going on here. I am going to permit an intervention by the member for the Reform Party and then I would like to go from there.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I was present in the House when this incident occurred. I point out that the term "meanspirited" does indicate some motivation. I can also assure you that there was some irrational emotion by the member who used the term. I support the Speaker in his determination.

• (1510)

The Speaker: Order. The decision has been made. The Speaker who made the decision was acting within his responsibilities. In view of what has gone on with that, I would let that decision stand and I would like this matter to be closed now.

ROUTINE PROCEEDINGS

[*English*]

WAYS AND MEANS

NOTICE OF MOTION

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Madam Speaker, pursuant to Standing Order 83(1), I wish to table an explanatory note, a notice of ways and means motion to amend the Excise Tax Act. I ask that an order of the day be designated for consideration of this motion.

* * *

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 37 petitions.

* * *

EMPLOYMENT EQUITY ACT

Hon. Ethel Blondin-Andrew (Secretary of State (Training and Youth), Lib.): Madam Speaker, pursuant to section 9 of the Employment Equity Act, I have the great pleasure to table on behalf of the Minister of Human Resources Development, in

both official languages, the seventh annual report to Parliament on the Employment Equity Act.

It is also my pleasure to announce that the Minister of Human Resources Development will introduce shortly legislation to amend the Employment Equity Act.

* * *

INCOME TAX ACT

Mr. John Bryden (Hamilton—Wentworth, Lib.) moved for leave to introduce Bill C–294, an act to amend the Income Tax Act (public access to information from audits of charities and non–profit organizations).

He said: Madam Speaker, this private member's bill calls on public access to the audits by Revenue Canada of charities and non–profit organizations which presently are not available for public disclosure.

The principle behind this is that non–profit organizations and charities are responsible to the taxpayer because they do not pay taxes. Therefore, there should be full accountability to the public. That is the intention of this bill.

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

* * *

PEACEKEEPING ACT

Mr. Chuck Strahl (Fraser Valley East, Ref.) moved for leave to introduce Bill C–295, an act to provide for the control of Canadian peacekeeping activities by Parliament and to amend the National Defence Act in consequence thereof.

• (1515)

He said: Madam Speaker, it is my privilege to introduce this bill the short name of which could be called the peacekeeping act.

In recent months both the defence review and the foreign affairs review have pointed out the need to have peacekeeping criteria established in advance of peacekeeping operations.

Recent unfortunate developments in the former Yugoslavia have reinforced the necessity to establish these criteria now while our excellent peacekeeping reputation remains untarnished.

The private member's bill I have introduced today requires the government to pass a resolution in this House before a peacekeeping mission starts. The resolution would lay out the goals, the duration and the maximum cost of the mission. Once the resolution expired troops would be withdrawn or a new resolution passed to continue the mission.

A peacekeeping bill such as this would allow Parliament to ask the hard questions before peacekeeping missions began. It would also help to secure the lives of our peacekeepers.

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

* * *

PETITIONS

HUMAN RIGHTS

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36, I am pleased to present a petition to the House signed by Canadians from southwestern Ontario including my own riding of Mississauga South.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation. I concur with this petition.

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Madam Speaker, pursuant to Standing Order 36 I have the honour and privilege to table three petitions duly certified by the clerk of petitions and signed by the constituents of Lambton—Middlesex.

In the first petition the petitioners pray and request that Parliament not amend the human rights code, the human rights act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

ASSISTED SUICIDE

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Madam Speaker, in the second petition the petitioners pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Madam Speaker, in the third petition the petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

YOUNG OFFENDERS ACT

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Madam Speaker, I have with me today eight sets of petitions from the people in my riding of Port Moody—Coquitlam and across the province of British Columbia on the need for amendments to the Young Offenders Act.

These petitions are a follow-up on the huge outpouring of support for changes to the Young Offenders Act which was demonstrated in a rally held in my riding on September 25. These are part and only part of nearly 15,000 signatures collected from concerned Canadians.

This is an issue that will not go away. It is the responsibility of Parliament to respond to these legitimate concerns. It is with this directive that I table these eight petitions containing some 7,000 of those signatures.

GUN CONTROL

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Madam Speaker, I am pleased to rise in the House to present a petition from residents of British Columbia including many from my riding of Cariboo—Chilcotin.

The petition calls upon Parliament to refuse the justice minister's anti-firearms proposals and insist that he bring forth legislation to convict and punish criminals rather than persecute the innocent.

YOUNG OFFENDERS

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Madam Speaker, I am also pleased to present a petition from the residents of Quesnel, British Columbia. The petition calls for Parliament to enact strong legislation against crimes of violence committed by youth.

I am happy to concur with both of these petitions.

• (1520)

[*Translation*]

SENIORS

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Madam Speaker, in accordance with Standing Order 36 I would like to present the following petition: We, the undersigned, residents of Anjou, Montreal and the surrounding area, want to bring to the attention of Parliament the following facts: whereas senior citizens are naturally more at a loss when faced with the technology of voice mail boxes; whereas senior citizens are entitled to appropriate service, particularly as it regards their income security enquiries; therefore the petitioners pray and request that Parliament ask the government to abandon its plan to implement voice mail boxes for senior citizens. I concur with the petition, Madam Speaker.

[*English*]

GUN CONTROL

Mr. Jim Jordan (Leeds—Grenville, Lib.): Madam Speaker, I have a petition that received very extensive support in my riding. It reminds the government that maintenance and use of firearms is currently heavily controlled under existing legislation in this country. It calls upon Parliament to institute legislation to protect the peaceful private ownership, maintenance and use of such firearms, including but not excluding such events as controlled hunting, sport shooting and the collecting of firearms.

RIGHTS OF THE UNBORN

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Madam Speaker, pursuant to Standing Order 36, I have the honour of presenting four petitions.

In the first petition, the petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by the born human being to the unborn human being.

ASSISTED SUICIDE

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Madam Speaker, in the second petition the petitioners pray that Parliament ensure that the present provisions of the Criminal Code of Canada pertaining to assisted suicide be enforced vigorously. They request that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

KILLER CARDS

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Madam Speaker, the third petition asks to amend the laws of Canada to prohibit the importation, distribution, sale and manufacture of killer cards in law and to advise producers of killer cards that their products destined for Canada will be seized and destroyed.

HUMAN RIGHTS

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Madam Speaker, the fourth petition asks Parliament not to amend the human rights code or the charter of rights and freedoms in any way which would indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, pursuant to Standing Order 36, I have the privilege of presenting two petitions to the House. Both petitions were signed by nearly 100 of my constituents, mostly from the Lloydminster area.

The first petition wants to draw the attention of the House to the fact that the majority of Canadians believe that the privileges which society accords to heterosexual couples should not be extended to same sex relationships. They request that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include it in the prohibited grounds of discrimination.

ASSISTED SUICIDE

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, the second petition draws attention to the House that the majority of Canadians respect the sanctity of human life. They ask that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

I would like to indicate that I support the petitioners in their request to Parliament.

GUN CONTROL

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, I would like to put forth the following petitions. The first petition is from people in my riding of Esquimalt—Juan de Fuca requesting that Parliament refuse to accept the justice minister's anti-firearms proposals. They insist that he bring forth legislation to convict and punish criminals rather than persecute the innocent. I concur with that.

ASSISTED SUICIDE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): The second petition is from people in my riding of Esquimalt—Juan de Fuca. They request that Parliament ensure that the present provisions in the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously, and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia, which I would like to say I do not concur with.

• (1525)

OFFICIAL LANGUAGES

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): The next petition relates to enacting legislation providing for a referendum of the people binding upon Parliament to accept or reject two official languages, English and French, for the government and people of Canada. The acceptance or rejection of the proposed amendments would be determined by number one, a majority vote of the total votes cast in the whole of Canada together with two, a majority vote in a majority of provinces with the territories being given the status of one province. I concur with this petition.

HUMAN RIGHTS

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): The last two petitions I will put together. They are from constituents of Esquimalt—Juan de Fuca.

The petitioners request that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

I concur with these two petitions.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I have a petition to present today from 227 members of my riding.

Basically the petition prays and requests that Parliament not amend the human rights act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

ASSISTED SUICIDE

Mrs. Sue Barnes (London West, Lib.): Madam Speaker, pursuant to Standing Order 36 I have two petitions to present to the House today.

The first is a petition from members of my constituency against euthanasia and doctor assisted suicide.

I have not made a decision personally on this matter and will continue to present both sides of the issue.

HUMAN RIGHTS

Mrs. Sue Barnes (London West, Lib.): The second petition in part asks for amendments to the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation. I strongly agree with this.

DANGEROUS OFFENDERS

Ms. Colleen Beaumier (Brampton, Lib.): Madam Speaker, pursuant to Standing Order 36, I am pleased to table a petition with the signatures of 668 of my constituents. It calls on the government to introduce legislation which will ensure the post-sentence detention of child sex offenders who are likely to reoffend upon release. This brings the total number of signatures I have tabled in the House calling for such legislation to 6,840.

Canadians are concerned about the safety of their children. It is time we introduced legislation which responds to this very real fear.

PEARSON INTERNATIONAL AIRPORT

Ms. Colleen Beaumier (Brampton, Lib.): Madam Speaker, I am also tabling a petition from residents of Brampton South which calls on the government to take action with respect to excessive noise caused by aircraft using runway 24R at Pearson International Airport.

These residents have suffered a great deal because of the noise and are asking that the necessary changes be implemented so that it stops immediately.

HOMEMAKERS COMPENSATION

Ms. Colleen Beaumier (Brampton, Lib.): I have a third petition to present in support of compensating spouses working in the home and caring for preschool children.

ASSISTED SUICIDE

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, pursuant to Standing Order 36, I am pleased to present two petitions from my constituency of Prince George—Bulkley Valley and specifically the town of Vanderhoof, B.C.

The petitioners pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

I am pleased to say that I personally support both of these petitions.

GUN CONTROL

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, pursuant to Standing Order 36, I rise today to present 203 signatures not only of people from Okanagan—Similkameen—Merritt but of like minded people from all across B.C. including North Vancouver, Langley, Surrey and Burnaby.

The petitioners are opposing the anti–firearms legislation that the justice minister is pursuing. Therefore the petitioners request that Parliament refuse to accept Mr. Rock's anti–firearms proposal and insist that he bring forth legislation—

• (1530)

The Acting Speaker (Mrs. Maheu): I would ask that the member not use the minister's name but refer to him as the Minister of Justice.

Mr. Hart: I apologize, Madam Speaker. The petitioners request that Parliament refuse to accept the justice minister's anti–firearms proposal and insist that he bring forward legislation to convict and punish criminals, rather than persecute innocent law–abiding citizens. I agree with my petitioners.

HUMAN RIGHTS

Mr. Bill Graham (Rosedale, Lib.): Madam Speaker, I am pleased to be able to present a petition signed by 210 citizens of my riding and elsewhere in Canada praying that Parliament amend the human rights code to include sexual orientation as a prohibited ground of discrimination.

ASSISTED SUICIDE

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Madam Speaker, I have two petitions that are identical that oppose euthanasia and doctor assisted suicide, both of which I endorse.

CANADIAN WHEAT BOARD

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Madam Speaker, another petition asks that Parliament expand further the Canadian Wheat Board's monopoly powers to include all grains and oilseeds, and a petition that strongly supports the Canadian Wheat Board's monopoly powers in marketing wheat and barley for export.

RIGHTS OF THE UNBORN

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Madam Speaker, I have another petition from constituents of Saskatoon—Dundurn wherein they ask that the unborn child's rights be protected by Parliament.

HUMAN RIGHTS

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Madam Speaker, this final petition opposes the amendment of the Canadian Human Rights Act to include the words sexual orientation, a term that is undefined.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Madam Speaker, I rise to present a petition calling on Parliament not to amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, would you be so kind as to call starred question No. 54.

The Acting Speaker (Mrs. Maheu): Starred question No. 54.

Mr. Milliken: Madam Speaker, I would ask that the answer to starred question No. 54 be printed in *Hansard* as if read due to its length.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

[*Text*]

Question No. 54—**Mr. McClelland:**

With respect to those individuals who have already been compensated by the Government of Canada because they contacted the HIV virus as a result of tainted blood transfusions, (*a*) what is the government's policy concerning the spouses of individuals with HIV and (*b*) is the government considering compensation for the spouses who unknowingly contracted HIV from their partners?

Hon. Diane Marleau (Minister of Health): The question of including HIV–infected spouses was given very serious consideration by the government at the time the extraordinary assistance plan was being developed. The terms of reference of the plan remain unchanged.

Only those directly infected with HIV as a result of having received contaminated blood are eligible for assistance but spouses of such persons are ineligible.

The plan was developed in consultation with the Canadian Hemophilia Society and representatives of non–hemophiliac HIV–infected blood transfusion recipients. The plan, which provides $120,000 tax free, is an exceptional response by the federal government.

When the government established the amount payable, it did take into consideration factors such as support of spouses and children. At this time no compensation for spouses is contemplated by the government.

In addition to the assistance already provided by the federal government, a multi–provincial and territorial assistance program was announced in September 1993. It provides financial assistance for life for the person directly infected as well as assistance for spouses and children.

[*English*]

The Acting Speaker (Mrs. Maheu): Shall the remaining questions stand?

Some hon. members: Agreed.

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MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I would ask that the notice of motion for the production of papers be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF INDUSTRY ACT

Hon. John Manley (Minister of Industry, Lib.) moved that Bill C–46, an act to establish the Department of Industry and to amend and repeal certain other acts, be read the third time and passed.

Mr. David Berger (Saint–Henri—Westmount, Lib.): Madam Speaker, I am glad to have the attention of the minister while I speak and I thank him for being here. I am also happy to see that the spokespersons are here for the opposition parties.

[*Translation*]

I am pleased to participate in the debate at third reading of the bill to establish the Department of Industry. Those who have followed the debate know that this bill concerns the organization of the Department of Industry. The minister and the department have been given a broad mandate: industry, science and technology, consumer and commercial affairs, communications and investment. All are brought together under the responsibility of a single department and a single minister.

• (1535)

The bill, as I was saying, concerns the organization of the department and the responsibilities it has been given. It is a housekeeping bill, if I may use that expression.

It is perhaps more important to know what the department will be doing. What is the minister's vision with respect to economic development? He made an important statement earlier this week that answers this question and gives us an idea of where he is headed. In his statement, he says that the government does not accept that Canadians must choose between high unemployment and stagnation of their incomes. Nor does Canada want to accept the American approach of low unemployment and a large number of low–paying jobs. But neither do we want to adopt the European approach, which is characterized by a relatively low number of low–paying jobs and a rate of unemployment that is chronically very high. The government believes that we can move forward on both fronts, employment and income, at the same time. In other words, the government would like to create good jobs that pay well. This is an objective to which all Canadians would give their approval. But you will agree that it is not so easy to put into practice.

In his statement, the minister observed that although Canada is a large trading nation, it has not yet acquired a large trading mentality, particular with respect to small and medium size business.

The report of the Special Joint Committee reviewing Canada's Foreign Policy, which was also tabled in the House a few weeks ago, is even blunter. It reads: "Canada is a trading nation but has not yet proved itself to be a nation of traders".

We are reminded in this report that only one in ten Canadian manufacturing companies exports and that automotive, natural and energy resources trade account for three quarters of our total exports. The picture is brighter for trade in services and high–tech products, but 25 per cent of total trade in these industries is done within three companies. Furthermore, exports to the rest of the world, outside North America, account for less than 10 per cent of our exports.

In short, the natural resource industry is doing well. It has its ups and downs, but for the time being, it is doing well. The current price of resources on the world markets is high. The automotive and automotive products industry is also faring well, in southwestern Ontario in particular, but in Sainte–Thérèse, Quebec, as well. While high technology is somewhat successful, we have a substantial trade deficit in that area. This means that we import far more high–tech products than we export.

• (1540)

To sum up, we have not managed to put in place the fully developed structure of an industrial economy. As everyone knows, the wealth of Canada comes mostly from its natural resources. So, if we want to get somewhere, we need to know where we stand so as to determine where we need to go from here.

I think that we will also have to take a realistic view of the role of small and medium size businesses in the Canadian economy.

[*English*]

While it is true that many jobs have been created by small and medium size businesses over the last 10 years, they are not the be all and end all of our economy. Many small and medium size businesses exist because of the existence of large companies. They are suppliers to these large companies.

Second, as I have already noted, few Canadian small and medium size businesses are exporters. Small and medium size businesses contribute only 9 per cent of total exports and less than 8 per cent of manufacturing exports.

Third, the contribution of small and medium size businesses to manufacturing in Canada is anaemic. In 1990 manufacturing firms with less than 100 employees were responsible for only 32 per cent of manufacturing employment.

In Japan I understand that small and medium size businesses account for 75 per cent of manufacturing employment. That is quite a difference, 32 per cent in Canada of manufacturing employment accounted for by small and medium size businesses versus 75 per cent, over twice the proportion in Japan.

In the report that the industry committee tabled several weeks ago on financing small and medium size businesses, we referred to the role of such businesses in today's economy. We referred to the significance of these businesses. We remarked that globalization requires a rapid response capability in design, production, marketing and other activities. We added that flexibility, innovation and technological capability are critical. This applies to all firms regardless of their research intensity or the nature of their product. It applies just as well to firms in the traditional sectors of our economy.

As a result, finely subdivided, highly specialized linear production processes are no longer advantageous and the large, traditionally structured firms do not achieve the best results. We noted that small, knowledge intensive firms are moving into the vacuum.

However, we noted that in Canada we have few new competitors. New competitors are the firms which are characterized by managerial and technological capability, by flexibility in their production processes, by the emphasis that they place on developing and nurturing their human resources. We need more new competitors if we wish to maintain our high standard of living.

The industry committee made a number of recommendations which relate to such new competitors, to those Canadian firms that have set themselves national and international goals. Our whole focus on venture capital is the solution only for firms with growth potential. Therefore, our focus on venture capital is directed to those firms.

• (1545)

We also made, for example, a recommendation that the government establish a limited working capital guarantee for small and medium size business exporters, again because of the importance of exports to our economy and because of the fact, as I mentioned earlier, that so few Canadian businesses and small and medium size businesses are exporters.

[*Translation*]

Recently, two young men came to my riding office and asked me to help them find work here in Canada. They are both doctoral students in the same field, engineering. One of them wants to do research in robotics. They approached me independently a few months apart. One came to see me in September, perhaps, and the other more recently, in October. By coincidence, one of these students is from Saint–Henri and the other from Westmount, the two parts that make up my riding. I must say that the riding also covers all of downtown Montreal, but those are two important parts of my riding.

These two young men applied to the Canadian Space Agency, but unfortunately opportunities are limited now. They have looked all over. They applied for work in the private sector, in Quebec and elsewhere in Canada. Unfortunately, they have not had the desired success. One of these young men recently

accepted a job in Philadelphia and I was told that the other might go to Detroit.

I was told that many of their engineering classmates from Concordia and McGill universities had to go to work in the United States.

I firmly believe that the Canadian government is on the right track by emphasizing employment and growth. However, it is regrettable that the Government of Quebec does not have the same priorities. Once again, we will waste so much energy debating existential questions instead of dealing with the real needs of Quebecers.

The Canadian government must stay the course. We must continue to emphasize the economy and growth with the policies which have been announced since the last election, following the direction taken by the industry committee and with the same priority for growth and jobs that underlies and is in fact the main theme of the action plan tabled this week by the Minister of Industry.

• (1550)

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Madam Speaker, it is with great pleasure that I take part in this third reading debate on Bill C–46. Since my colleague for Saint–Henri—Westmount said that Quebec is a province, a region that cares more about existential issues than about job development, I rise to examine sections of this bill which provide precisely for job creation and development.

At this third reading stage, I would like to go into the details of the regional development concept. I want to base my speech on two distinct approaches, which are the key factors of the regional development problem in Quebec.

The dynamic policies of regional development in Canada are based on the concepts of growth and development. Both these concepts continually bring the central government in Ottawa into conflict with Quebec and its regions: it is the Quebec government versus the centralizing Canadian federation.

Let us ask ourselves what regional development is really about. First of all, let me remind the House that Canada is composed of four main regions: the West, Ontario and Quebec, in the heart of the country, and the Atlantic Provinces. Each of these four regions has its minister responsible for regional development. What should be examined is the impact the concepts of economic growth and development have.

In its 1989 report on social and demographic development, the social affairs council describes its approach as follows: "Growth is a quantitative measure of the increase in a society's wealth." That is how the increase in the gross domestic product per capita, for example, is presented. "Development implies a kind of growth that does not create inequality and is aimed at giving all individuals, wherever they live, the same opportunities for fulfilment." This is a major difference between the two concepts of growth and development.

In this perspective, regional development originates in each of Quebec's regions and is based on a dynamic of balanced economic growth among the regions. The member for Saint–Henri—Westmount knows Quebec very well. He knows that there are sixteen regions and that regional development means a balance among these regions. This notion of development versus growth underscores the federal government's approach with regard to regional development.

Indeed, given how all the federal government's regional development policies have evolued over the last 40 years, one can say objectively that the federal system has favoured growth as measured by economic output over development and the structural changes it involves.

The economic dimension, that is favouring a particular area or industrial region in order to stimulate Canada's gross domestic product, is clearly given priority over the structural dimension in most of what the federal government does in the regions. This approach, this federal involvement in regional development, will have an extremely detrimental effect in the long run on the development of our regions, in Quebec. That is the point I want to make.

I would like to start by reviewing a number of Quebec's demographic characteristics tied in with the economic problems faced by peripheral regions. Let us keep in mind that Quebec's share of Canada's population has been eroding steadily, down from 30 per cent at the beginning of the century to 25.8 per cent in 1986. The problem in Quebec is due mainly to the acceleration this trend. It took exactly 70 years from 1901 to 1971, for its share of the total population to decline two points but a mere 15, from 1971 to 1986, to drop two more.

• (1555)

In the regions, it has dramatic effects and the federal government's regional development policies are partly responsible. In Quebec, more communities are loosing population than growing. In Quebec, more regions are declining than growing.

Between 1971 and 1986, the number of young people in communities with declining populations fell by 43 per cent and that of adults by 9.5 per cent, while the number of seniors increased by 24 per cent.

Over the same period, in communities with growing populations, however, the number of young people remained more or less the same, while the adult population of childbearing age increased by 49 per cent. This means that when they leave their community, young adults take with them their reproductive potential, causing a further decrease in the birth rate.

The communities, mostly in peripheral regions, that experienced a substantial decline in population between 1971 and 1986 are also those with the highest rate of unemployment. Basically, a decline in population spells social problems.

In April 1994, for example, the rate of unemployment in the Gaspé and the Magdalen Islands was 27 per cent; in the Lower St. Lawrence region, 17 per cent; in Saguenay—Lac–Saint–Jean, 15 per cent; in the Laurentians, 16 per cent; in Lanaudière, 16 per cent. An analysis of rural depopulation over a 15–year period shows that people are moving to major centres of economic growth with significant impact on Canada's Gross Domestic Product, which determines smaller communities and regional development in Quebec.

This is demonstrated by a historical overview of federal involvement in Quebec's regional development and the impact of these policies on Quebec's dynamics in this area.

In the 1960s, despite some valid initiatives, federal efforts as a whole lacked a global development strategy and co–ordination among the various departments involved. The departments operated sector by sector, each pursuing their own goals, without co–ordinating their actions regionally and correcting regional disparities. In the early 1990s, this attitude became a trademark of the federal government's regional development efforts in Quebec.

The Liberal government's current dismantling of VIA Rail networks in the regions shows that this Crown corporation did not receive the mandate to promote Quebec's regional development. There is only one criterion: profitability and economic growth and not regional development and people's well–being.

Such an attitude to regional development threaten the infrastructure of outlying areas, speeds up the depopulation of outlying municipalities and aggravates regional underdevelopment.

Let me give you another example: The disappearance of local post offices and of some local CBC TV stations shows the same disregard for regional development and the priority given by Ottawa to profitability and sectoral economic growth. There is a lack of global vision. They are busy saving the furniture while the house is burning down.

In the late 1960s and early 1970s, the need to co–ordinate the federal government's regional development initiatives in Quebec led to the creation of the Department of Regional Economic Expansion. The department focused its efforts on several economic growth centres, hoping that their development would extend to disadvantaged regions.

At the same time, the Higgins–Martin–Raynauld report commissioned by the department, on which the federal government's new regional development policies are based in part, concluded that Quebec's economic difficulties lie in the weakness of its only growth centre, Montreal.

• (1600)

The purpose of the study which led to this report was to define the main development objectives for the province of Quebec, simply from the perspective of territorial development. What this report has to say about the approach to development is important. It says that growth centres have an attractive force that drains human, financial and managerial resources from the outlying regions and that this process feeds on itself. The policy is to invest in the major centre and bring people, money and resources in from the outlying areas. Some kind of development! How can you be more centralizing?

Further on, the report says that no territory can become a development centre unless it was first a satellite—so it must have grown—and that being a satellite should have no pejorative connotation because it is the only way to strengthen a territory's competitiveness. That is the federal approach, philosophy and thesis for developing Quebec.

Further on, the report says in the same vein that much more important today are the innovations related to technological progress, concentrated in the relatively large and dynamic cities which are the centres of development. As far as this report is concerned, and it remains an important document in the evolution of federal policies and of the Liberal philosophy of regional development, even though the report is old, Quebec's economic future will be mainly determined by the competitive position of Montreal compared to the economic space dominated by Toronto and other regions dominated by big cities elsewhere in the world.

Unfortunately, the Government of Quebec is just as ignorant about some outlying communities and at times even denied their existence.

Influenced by the liberal line of thought which promotes megaprojects and seeks to build momentum for economic growth, sometimes by expanding large urban centres, the Quebec government decided, in the mid–sixties, to concentrate in regional centres the public services provided by various institutions, so as to reinforce the natural poles of economic attraction. At that time, a Liberal government was in office in Ottawa, while another Liberal government was controlling Quebec's destiny. The growth of Quebec cities over the last 15 to 20 years

would have been stronger without this concentration of public services in natural poles of economic attraction.

Unlike communities which did not provide such services and which experienced a decrease in population, the centres offering these services experienced a population increase. So, the development of some 16 Quebec regions, that is the structural planning of fringe areas, necessarily included the setting up of important services, as well as the development of a stable economic infrastructure adapted to the need of the community for a dynamic economic activity of its own, generated by local people instead of being subjected to the remote interests of a centralizing pole.

Again, the influence of this liberal and centralizing federalism is responsible for the delicate situation of most remote regions in Quebec, as well as for their demographic and socio-economic underdevelopment.

The seventies saw the emergence of general development agreements between Canada and Quebec, the second generation of ERDAs which, incidentally, will expire a week from today, on December 14. However, these agreements all suffer from the same deficiency, that is the lack of a development policy based on eliminating the structural problems which impede regional growth. This problem is an inherent part of the federal regime, which helps maintain and even increase regional disparity, and which also jeopardizes the evolution and the survival of a whole nation.

The unilateral patriation of the Constitution in 1982 was, to a degree, a form of federal interference in regional development.

• (1605)

This was undemocratic, since Quebec has yet to endorse the Constitutional Act of 1982. It was a show of force against Quebec, by the federal Liberals and their friends from the other Canadian provinces, to increase, among other things, the federal spending power in Quebec, so as to control its regional economic development. In the eighties, Ottawa increased its interference in regional development matters, thus showing more clearly than ever its enormous potential for developing parallel structures and for generating duplication, which costs Canadians and Quebecers dearly, and which also accounts for their indebtedness.

This disastrous federal policy on regional development in Quebec continues to apply. The Department of Regional Economic Expansion was replaced by the Department of Regional Industrial Expansion. They are very good at inventing new structures and duplicating what has already been done. DRIE was to focus industrial policy on economic growth strategies. Unfortunately, and this was to be expected, the department was dominated by sectoral concerns, so that industrial development got more money than regional development.

Today, legislation to establish the Department of Industry is about to be adopted. We are now on third reading. Bill C–46 provides that the Department of Industry has the power to "initiate, recommend, co–ordinate, direct, promote and implement programs and projects in relation to regional economic development in Quebec". In other words, the department will go on investing and having an impact on regional development in Quebec, but its activities will not be part of a comprehensive approach to deal with the structural problems of the regions.

The federal government should withdraw from regional development in Quebec, since it tends to ignore the process for the development of regional structures, initiated by Quebec and its regions through its regional county municipalities, its regional development secretariat and its regional economic development councils. As a result, the federal government has a negative impact on regional development in Quebec and on the general development of Quebec's potential.

In Bill C–46, the federal Liberal government has irresponsibly ignored Quebec's clear–cut and traditional claim to sole jurisdiction over regional development. Furthermore, with its total lack of concern about duplication and overlap, the federal Liberal Party helps waste public funds, and it has done so by creating and putting in place structures that Quebec has already had for more than 20 years.

The approach taken by the federal Liberal government, with its two–fold obsession with developing the industrial centres of Quebec's metropolitan areas while ignoring the rest of the province, and with spreading the federal centralist gospel right and left, without a co–ordinating policy, has not only proved to be disastrous for the development of the regions but in many cases has been an obstacle to Quebec's attempts to decentralize socio–economic responsibilities to the regions.

As a distinct society, Quebec has a creative and innovative potential for regional development that, in terms of its perspective and emphasis on long–term solutions, goes well beyond anything the federal government has been able to do in the West, Ontario, Quebec or the Maritimes with its regional development policies.

In response to invasive federal policies and intent on saving Quebec society from regional underdevelopment and eventual cultural assimilation, since the two go together, in 1979 Quebec passed the Act respecting land use planning and development, Bill 125, and created regional county municipalities. These regional centres were to become a vehicle for involvement at the grass roots level.

In Quebec, decentralization of decision–making powers, together with a planning approach that differed substantially from

the federal government's growth policies, were subsequently seen as essential components of a regional policy for the year 2000.

• (1610)

At the same time, in an unprecedented spirit of planning and development, the Government of Quebec divided its territory into 16 administrative regions. These are strategically important to Quebec. They are based on geographic, economic, industrial and cultural components in which we find the only real actors responsible for Quebec's development. And this is something that the federal government cannot and does not want to understand, because acceptance of the principle of decentralization is fundamentally at odds with the federal Liberals' idea of centralization that has come straight from Trudeau.

Regional county municipalities, or RCMs, are groupings of municipalities with a combination of economic, cultural and social activities reflecting their proximity, and the movement of people to the places where they work and live. Administrative regions have called upon these RCMs to define development thrusts setting forth the whole range of problems being experienced by these regions with respect to employment, and social, educational and cultural development.

These diagnoses were used to develop a strategic plan for each RCM. The government in power must listen to and recognize the work already accomplished through the expenditure of public money, and the investment of resources and skills.

Take the example of the Eastern Townships, a region that includes seven RCMs. These local bodies analysed and pooled their strategic development plans, and then gave priority to the major development thrusts and development projects, in line with the regional decentralization policy of the Quebec government.

These priorities, which are determined by the particular environment, reveal areas where correction is required, where development is indicated. Thus, by promoting the development of human resources, training and manpower, research, technological development and the linkage of businesses, the decisions made locally have an influence on the economic development of the whole country.

We have to go back to the real make–up of the country, beyond the administrative regions, and focus on the sub–regions and the local communities, assess successes and failures and rethink development. That is what the Parti Quebecois and the Bloc Quebecois have being working on in their joint plan for a sovereign Quebec. Regional economic development must be coupled with a social development policy to provide every citizen with an equal opportunity to achieve their full potential in a healthy and challenging environment, wherever they live in this huge area. A growing majority of Quebec players, we hope, will be able to pull along in their wake all of Quebec, and Quebec society, through its regional players, fully supports the decentralization proposal put forward by the new Quebec government.

So, at the third reading stage of Bill C–46, the Bloc Quebecois, the Official Opposition, objects to the domination exercised by the Department of Industry and the powers assigned to the minister, relating to regional development in Quebec. We definitely denounce the new powers and duties of the Minister of Industry to formulate and implement policies, plans and integrated federal approaches in Quebec, as stated in Clause 9(*a*) of the bill.

We also denounce the power to lead and co–ordinate the activities of the government of Canada in establishing co–operative relationships between various agencies of the government of Canada and Quebec. The government has the gall to have the legislation provide that the minister may deal directly with certain bodies in Quebec, going over the head of the Quebec government and National Assembly, and going as far as identifying municipal bodies, which come under provincial jurisdiction. Incredible!

This bill shows how stupid and wasteful it is to want to interfere like that, further compounding duplication and overlap.

• (1615)

Essentially, Bill C–46 reflects the federal government's resolve to take over regional development in Quebec and set it in a Canadian perspective of economic growth and efforts to bring the federal deficit down, a perspective that greatly hinders the enfranchisement and development of the people of Quebec.

The only option acceptable to us is the structural development of our regions through the decentralization program developed by the new government of Quebec. It is therefore by leaving the current federal system that we will achieve our goal as a society, a society destined to really develop structurally, all over its territory, and one looking towards the next century and open to the world.

The Official Opposition's position on this bill is no to the federal government and yes to Quebec.

Mr. David Berger (Saint–Henri—Westmount, Lib.): On a point of order, Madam Speaker, I wonder if there would be unanimous consent to let me ask the member a short question.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Yes.

Mr. Berger: Madam Speaker, I would like to ask the member how he can speak on industry for about 30 minutes without even mentioning small and medium size businesses or even mentioning the word business.

His whole speech concerned the administrative structure. Does he not recognize that the Government of Quebec is quite free to structure itself as it wants, to create regional county municipalities, which have already existed for many years under the federal system, to set up its own decentralization plan, to plan as it wants? The federal government has absolutely nothing to do with these internal decisions of a province.

Does he not admit either that almost all government subsidies were or will be abolished for budgetary reasons and because we recognize that these subsidies are ineffective?

Once again, I am amazed that his speech dealt only with the administrative structure and that he did not even mention business; his speech was almost a Marxist treatise. His approach contrasts sharply with what the Minister of Industry said here earlier this week, when he said that the Canadian government recognizes that it is up to the private sector and not the government to create jobs. What the government can do, however, is to make the climate favorable for job creation by business.

I think that the member has absolutely no idea that it is business which creates jobs and not all the wonderful structures which he would like to set up.

Mr. Leroux (Richmond—Wolfe): Madam Speaker, I think that the hon. member was more interested in making comments than in asking a question.

At the beginning of his speech, the hon. member himself said that this was a housekeeping bill. This piece of legislation sets out the directions given by the minister with regard to the power to take action. I referred to the bill, to the powers the minister gives himself by addressing regional development directly without going through the National Assembly, by allowing himself to negotiate and deal directly with Quebec structures, including municipalities which come under provincial jurisdiction.

• (1620)

The basic question in this case is clearly one of jurisdiction; the bill determines federal jurisdiction over regional development. The hon. member knows full well that according to all analyses of the federal government's regional development initiatives in Quebec, results are quite negative compared to all regional development.

When Quebecers talk about business, they mean small business. The hon. member knows full well that Quebec's strategic plans also include everything that goes with it, all the structures needed to finance small business. He knows very well that Minister Paillé's latest program is a vigorous small–business support program aimed at helping Quebec entrepreneurs start their own businesses and create jobs, since we know that small businesses do create jobs.

Although the hon. member is well aware of that, he tried to insinuate that we were all talk and no action—since it took him a long time to put his questions, allow me, Madam Speaker, to respond to all the matters he raised. In my opinion, he merely showed that Quebec's regional development program is currently ahead of anything that the Department of Industry may suggest in this area.

I want to add that when talking about this—as the hon. member pointed out—we should try to define the real needs instead of raising existential questions. Is the hon. member willing to admit that to do so, we must start by asking those involved to define their real needs? Regional county municipalities, regional development councils and a regional development secretariat were put in place to define the real problems and needs of the regions, instead of commissioning Price Waterhouse to conduct various studies here and there.

Local people are defining their own needs. They developed strategic plans, and I remind the hon. member that the government itself has just produced a series of reports evaluating Quebec's regions when Quebec issued such reports just last year. This duplication of regional analysis is a waste of energy and public funds.

Quebec is capable of developing itself.

[*English*]

Mr. Werner Schmidt (Okanagan Centre, Ref.): Madam Speaker, it is my pleasure to participate in the debate. I did not reckon to stand to debate this bill. I want to recognize the chairman of the Standing Committee on Industry with whom it was a pleasure to work during the last number of months. I look forward to continued work with him. There are times when we need to recognize good work that is being done.

We also want to recognize that this bill is probably one of the most significant pieces of legislation that has appeared before the House.

It has been interesting to watch the progress of the bill. I am pleased to acknowledge and to recognize that Reform was able to achieve certain amendments in committee. This shows there is a role for the opposition even though we do not have as much influence as we would like to have. However sometimes good sense does prevail and even the government side recognizes common sense.

It has been a pleasure to address the House on several occasions on different parts of this bill. To date, I have spoken more specifically to its particular aspects. This afternoon, I wish to look at certain other aspects. For example, I have spoken in the past about the need to curb the power of the minister to dispense public funds with impugnity, to intervene in the economy and to pick winners and losers.

I have spoken of the need to eliminate regional development as an economic tool of not only this minister and his department but of the government as a whole. I have spoken of the need to curb the powers of centralized economic planning that the bill imparts to the minister and to the cabinet. I have spoken about the disappointment, and even to this day, the lack of efficiencies realized in the amalgamation of the four departments that came together last year to form this new industry department.

• (1625)

I have spoken of the lack of vision that the bill represents because in reality it is nothing more than a rubber stamp of Tory policy set by Prime Minister Campbell last year.

I have spoken about the confusion created by having responsibility of aboriginal economic matters in this department and not in the Department of Indian Affairs and Northern Development.

I have spoken about the need to provide for interface between departments, for example with Heritage Canada and the Department of Communications.

I have spoken about the confusion over technical and spectromanagement and who is really in charge. I have spoken about Heritage Canada and neighbouring rights and the questions of overlap and jurisdiction.

I have spoken about this and more in the time I have had, only to scratch the surface. Today we will look at some of the fundamentals, the principles and the challenges that are involved with this department and the future that it faces.

Where are we now? Bill C–46 puts into effect the machinery for the new Department of Industry. In my opinion this is the most important department in government. Why? Because in effect it constitutes the engine that will bring about the economic growth and development of our country.

By that I mean it is the department that is directly responsible for shaping the way businesses, both large and small, function in our economy. The department is responsible for science and technology. It is responsible for directing research and development. It is responsible for shaping a good chunk of the regulatory field under which business operates. It is, in conjunction with the Department of Finance, responsible for establishing the banking environment, both public and private.

In short the department influences most of the important economic levers in Canada and for that reason I call it the most important department in government. It allows Canadians to achieve their most fundamental goals, that is the acquisition of food, shelter and clothing. It helps to structure the economy so that we can work to provide ourselves with these things.

Under the new law this department is both powerful and weak. It is powerful because the authority granted to the minister under the bill allows that minister the opportunity to intervene directly in the marketplace through various instruments and actually have the power to pick winners and losers.

It is powerful because of the financial consequences of some of its actions. It is powerful because of its control over small business through the various programs that are geared to that sector.

Yet under the bill the department is also a weak one. For example, the department has a very poor record of success when it comes to its more famous interventions on behalf of certain businesses and sectors, Canada's well known corporate welfare recipients such as Bombardier, de Havilland, SNC, MIL Davie, and others.

The department is weak because it has not been successful in achieving its goal of revitalizing regional economies through its regional development programs. It is weak because of the inefficient path it sets for science and technology investment. It is also weak because it has great difficulty resisting the urge to micromanage Canada's economy on a sector by sector basis.

It is also confusing in the number of responsibilities the department carries. May I just give a brief list of what some of those are. It is not a complete list.

Based on this bill and what is in the main estimates, this department is responsible for a variety of quasi and independent agencies and tribunals which include the following: the office of the federal chief negotiator, internal trade negotiations; the office of the chief scientist; the Canadian aboriginal economic development program; Canadian Workplace Automation Research Centre; the Defence industry productivity program; the Canada scholarships program; the Information Highway Advisory Council; the National Advisory Board on Science and Technology; the Industrial research assistance program; the remnants of Investment Canada; the Canadian Network for the Advancement of Research Industry and Education, commonly known as CANARIE; the Natural Sciences and Engineering Research Council; the Federal Office of the Regional Development—Quebec, which requires an order in council to pass these responsibilities to yet another minister, the Minister of Finance; regional development in northern Ontario under FEDNOR; the network of centres of excellence, the National Research Council; the Social Sciences and Humanities Research Council; the Standards Council of Canada; the Canadian Space Agency; the Communications Research Centre; Statistics Canada; Emergency Preparedness Canada; the Bureau of Competition; the Copyright Board of Canada; and more. It is pretty clear from this admittedly incomplete list that the minister has a wide range of responsibilities which makes it difficult for the department to develop and keep a clear focus.

• (1630)

What is the bottom line? The bottom line is a challenge to create a Department of Industry for the end of the nineties and into the next century that is efficient; that makes the right decisions for the economy when needed; that is administratively sound; that is co–ordinated properly and carefully with a concerted focus on providing the best service for the least cost as its private sector clients are required to do; and most important and above all, that is fiscally responsible and uses available dollars in a way that produces maximum possible return for the taxpayer while exposing that same taxpayer to the minimum possible risk.

This fiscal emphasis must recognize the fundamental tenet that the marketplace is the best equipped to do something and to help business operate. The marketplace should be allowed to proceed without undue interference from government.

In short, the role of government should be to set the department in such a position that its mandate is to establish and maintain a culture which rewards entrepreneurship, innovation and research, and that it ensures a level, competitive and honest marketplace. That is the way in which the department should be organized.

Where do we go from here? In terms of small business we should recognize that it is probably the single most important sector in the Canadian economy. Why? It is because it creates the lion's share of new jobs in the country. We all know that when people are working, the country and taxpayers benefit most.

The government's approach to small business should be based on sound fundamental principles. The government's own recently published paper by its small business working committee stated a set of principles for growing small businesses. It said that the government should have the following priorities.

The government should be removed from the market to let it function freely rather than seek to influence or distort it. The government should restrict its own activities to fulfilling gaps not currently served by the private sector. It should do so on a temporary basis until the private sector can take over. It should redesign the taxation system as a vehicle for economic development rather than its current narrow role as a generator of tax revenues. It should focus on helping small businesses access the information and intelligence they require. These are four very significant foundation setting principles given to the government by one of its own committees.

I have spoken before in the House about the report of the Standing Committee on Industry entitled "Taking Care of Small Business" in which the government could find much in the way of directing its activities to actually influence our economy to reach the goals that need to be reached.

I focus now on the other sector of business, large business. Government can rely on the same principle enunciated just a moment ago. I would encourage government to refrain from undue interference through grants, contributions, subsidies and bail outs of large and small businesses.

It may seem harsh to some on the government benches, but if the free market decides that a company should fail as a result of its own activities then the government has no business intervening to save it. It is just that simple.

We have too many examples of corporate welfare in Canada which highlight how wrong a policy of intervention can be. Certain names in the corporate community are synonymous with government largesse. For this past taxation year alone, based on the public accounts, we are reminded of how extensive the problem is. I want to give some examples.

• (1635)

Bombardier received from the federal government a little over $21 million; SNC Lavalin received over $1 million; Boeing received $3.7 million; Litton Systems, over $4 million; Pratt & Whitney, $36 million; Canadian Marconi, $10,750,000; Apotex Pharmaceuticals, $3.3 million; and de Havilland, $81,350,000. That is just a short list; the list goes on for pages. It is the tip of the iceberg and is only for last year.

It is easy to understand why companies would take advantage of government largesse. They would be crazy not to do so. If we are dumb enough to give it to them, they are smart enough to pick it up. The point is that government should not offer it in the first place.

Big business also must reverse its attitude that government's role is to pay to ensure its survival and must stop reinforcing that notion. A good product or service, a sound knowledge of the marketplace and an efficient business plan will ensure survival and jobs on a permanent or long term basis without an expenditure or burden on the taxpayer. Let the marketplace decide.

I focus now on the area of science and technology which requires a very significant and comprehensive overhaul. The Auditor General cited in his report this year how poorly the government had done with respect to spending $7 billion. He made several useful recommendations in this area.

He said that priorities needed to be established, including what is the need, what is the opportunity and what is the potential payback. This will require co–operation among all stakeholders. Overall performance must be monitored, according to the Auditor General, to measure success and provide a framework with indicators for that performance. When that is established the program can go ahead with some success.

Then he went on to say that our science and technology strategy should be appropriate, should be balanced and should be workable. He then said that parliamentarians—that is those of us in the House of Commons—have no basis under the present arrangement on which to assess whether the government's expenditures on science and technology reflect Canadian needs and opportunities and to hold the government accountable for results. Implementing his recommendations as soon as possible should therefore be a critical priority for the government.

These are some of the items that need to be looked at in terms of getting the department to work at the cutting edge of economic development in the next century.

Some members of the government respect and appreciate these approaches. The minister's parliamentary secretary, for example, is forward thinking in many ways. He is the leading proponent of some very positive changes in Canada's taxation system. His flat tax proposals have generated much interest with academics and economists alike. Many of my colleagues including myself on this side of the House find his ideas intriguing and worthy of considerable study with likely implementation. We hope he can convince his colleagues that it is the proper way to go.

In addition, there are two ministers for whom I have a lot of respect: the ministers of industry and finance. They both seem to have a good grasp of what needs to be done and what the direction should be for the future. I believe their personal philosophies tell them we cannot continue with business as usual. We require some radical shifts in our fundamentals. Unfortunately the two ministers appear to be having some difficulty with their cabinet colleagues, some of whom are still pursuing the thinking of the past that put us into the mess we are in today. This is reflected in the strategies released by them.

What is the government attempting to do now? I would like briefly to look at this point on a couple of fronts. First is the orange book that was delivered on Monday morning. The minister released the government's new industrial strategy in an orange coloured book. The report was praised by the *Globe and Mail* and others for its sound forward thinking principles. However many business groups have said that it is short on detail. The content seems to be based on the old thinking that we know does not work any more.

• (1640)

An example is the government's proposed increase in the ceiling for the loans it guarantees under the Small Businesses Loans Act. It is well known that some of the banks are using this program to grant loans to businesses that would otherwise qualify. That is not the purpose of the act.

If the free market were allowed to operate and prevail, as I have suggested, there would be no need for such a program. Businesses that were sound would be considered a secure risk by the banks and receive their loans. Those that were not would not get a loan and would not require the subsidy. This is as it should be. The government should not be encouraging the banks to lend by assuming most of the risk on the taxpayer's back rather than the operation of the market forces.

Banks in Canada show a profit of over $4 billion, referring to the big chartered banks, for this year. They should be accountable for the risks they make and not depend on the taxpayer to underwrite their small business loans.

Moreover the orange book fails to address the most pressing problem identified time and time again by businesses, that is the business of overbearing taxes. We are overburdened with taxes and that is true of business. The way to address the tax burden problem is to reduce spending which in turn will allow us to curtail the deficit, begin to deal with the debt and in turn reduce onerous tax levels, interest rates and the cost of doing business. That creates jobs.

If the government really wanted to lay out a comprehensive, coherent, industrial strategy for the coming century, it would focus its energy on creating a climate for entrepreneurship. It would create an environment in which the free market could work and would stay out of it to the greatest degree possible.

Some positives in the orange book include the government's commitment to reduce the paper burden, that is to get businesses off the government payroll and back working for themselves as they should be. The paper also recommends expanding our foreign trade horizons, a natural for building more business.

Now I come to the restructuring which was also a positive part of that book. The minister has indicated in the House that his department faces up to a 50 per cent reduction in its overall budget inside of the next two years. I wish him much success in his endeavour and will help in whatever way I can.

Coming back to the Auditor General, I have a few more words about what he said. The government spends $7 billion each year on science and technology research, $6 billion directly and $1 billion in tax credits. The Auditor General concluded that there was a lack of overall government–wide leadership, direction and focus on results and accountability for implementing desired changes. It is gone; it is not there. Then comes his most shattering statement. He said that Industry Canada, the department, was not well positioned to provide effective leadership among departments with science and technology responsibilities. That is the Auditor General's conclusion. I fail to see in this reorganization how that will be resolved.

The science and technology consultations that were conducted under the Department of Industry produced nothing but the regurgitation of the same problems identified 30 years ago. The orange book industrial strategy shifts the money around and increases the government's liability in favour of the banks. The reorganization was dreamed up by Kim Campbell and others. It

does nothing to deal with the problems identified by the Auditor General.

In conclusion, I return to the principles enunciated earlier. We know the foundation needs to be an efficient, administratively sound and fiscally responsible department that encourages a sound environment so that business can build and support itself. Our science and technology policy must have an eye to the needs and opportunity for potential advancement.

I encourage the minister to move ahead with aggression, courage and success as he reduces his department, as he makes it fiscally responsible, and as he gives it the direction to meet the needs of business and the needs in terms of science and research so we will become the economic leader in North America that we could be. We have tremendous talent in our people. We have tremendous resources. This department could marshal the resources and bring it together so that all of us benefit. I wish him good luck and Godspeed.

• (1645)

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Madam Speaker, as the assistant to the Official Opposition critic on regional development, I am pleased to address Bill C–46.

Back on September 26, I had the opportunity to express my strong disagreement with this piece of legislation, since it does not recognize Quebec's jurisdiction over its regional development. That bill was unacceptable in its original form. Yet, this House rejected the amendments to clauses 8, 9 and 10 proposed by the opposition critic on regional development. These amendments read as follows:

> That Bill C–46 be amended by replacing, in Clause 8, line 23, in Clause 9, line 22, and in Clause 10, line 36, with the following:
>
> with the approval of the Lieutenant Governor in Council of Quebec where such powers, duties and functions relate to regional development in Quebec—

We simply asked that Quebec have control over its regional development. Who, if not Quebec, is in the best position to develop policies in that sector? Certainly not the federal Minister of Industry, although he could, through this legislation, have the authority to set up such policies and exercise control over Quebec's regional development.

The previous government wanted to streamline federal bureaucracy with this bill. The current government admits to looking for ways to eliminate duplication and overlap. Is it just paying lip service to the idea? It looks like it, since Bill C–46 would allow the federal government to intervene at will in Quebec.

This government is ignoring, or pretending to ignore, the efficient regional development programs which have been in place for a long time in Quebec. Incidentally, the new Quebec government has developed a dynamic regional development policy which will be implemented by the stakeholders and which takes into account the fact that trade liberalization eliminates trade barriers and exposes regional economies to stiff competition.

The Quebec government devised a new sharing of responsibility between itself and the regions, including the Quebec union of municipalities, as well as the Quebec union of regional county municipalities and local municipalities. As we have already explained to this House, RCMs will become decision–making centres for Quebec's socio–economic development. These RCMs will be designated as independent and multi–purpose political authorities.

Municipal councils will have to rely more on participation. Under the authority of the RCM's board, sectoral commissions will be delegated various powers, depending on the sector concerned. Regional delegates were appointed to provide direct liaison between the regions and the Premier.

The Quebec government also developed a sectoral development policy which puts the emphasis on the agri–food, fisheries, forestry, energy, recreation and tourism sectors. But what about the federal government? Has it demonstrated an ability to develop programs which take into account already existing provincial and regional policies? The answer is no, Madam Speaker.

No, because the federal government has never been able to reach a consensus where regional development is concerned. No, because the priorities of the Liberal government differ from those of the provinces and the regions. Let us decentralize the funding and the decision–making authority! Then, the regions would be able to develop according to their own priorities.

With this bill, the federal government is trying to control the economic development of Quebec. The government party is digging in its heels and the results are duplication and overlap.

People do not seem to understand the situation; either we have not been able to explain it to members opposite well enough or they are not listening. We all remember the three little monkeys: see no evil, hear no evil, speak no evil. The government is following the advice of the first two monkeys too closely; it should pay more attention to the third one. Several commissions have clearly stated in their reports that the federal government is impeding our regional development.

In its report, the interdepartmental working group on regional development, set up by the Quebec government in 1991, when the Liberals were in office, I might add, examined the issue of the proliferation of regional development initiatives.

• (1650)

The working group came to a very clear conclusion: confusion, duplication and overlap.

Confusion in terms of regional divisions: the federally defined regions do not match Quebec's administrative regions. Frequent confusion concerning regional officers, since there are too many government officers.

Duplication of structures: regional advisory bodies, economic development organizations, creation of program management committees to reconcile all the various types of initiatives.

Duplication that leads to operating costs that are high compared to the amount of money actually spent on development.

The Bélanger–Campeau Commission, also established by Quebec's former Liberal government, draws conclusions that are equally clear. If Quebec assumed responsibility for existing federal programs without any reduction in services, there would be annual savings of $289 million in spending related to the collection of customs duties and taxes, $250 million in manpower and $233 million in transportation and communication costs.

A study indicates that 67 per cent of federal programs overlap provincial programs to some extent. This study, conducted by Germain Julien and Marcel Proulx, tells us that overlap accounts for 65 per cent of government spending, excluding the public debt and unemployment insurance. This represents $67.5 billion and 45 per cent of personnel or 114,000 full–time employees for 1991 and 1992.

What is the origin of this overlap? Seventy–six per cent is attributable to the authority to legislate in shared areas and 24 per cent to federal spending power in areas under provincial jurisdiction.

We know all too well the consequences of these overlapping programs: increased cost of government action when it would be more economical to give one government exclusive responsibility for services provided at both levels.

Redundancy in programs: irrational use of personnel and equipment by both levels for similar activities.

The exorbitant cost of co–ordination: officials meet hundreds of times a year to check whether they are offering the same services, to harmonize program objectives and to ensure they are compatible.

Reduced effectiveness of government measures: how many times have we seen measures that are put in place by two levels of government cancel each other out for lack of consensus on objectives and priorities. Of course, no one wants to make concessions.

An additional burden on the target population, which has trouble finding its way through the labyrinth of government programs, especially when there is duplication.

Turf wars that make governments act irresponsibly. And who pays for all this? The taxpayer.

In spite of these factors, the Liberal government insists on passing legislation like Bill C–46 which dismisses out of hand Quebec's policies on regional development. The government says that it wants to eliminate duplication and overlap and then introduces a bill in which it maintains its hold on regional development.

Unlike Quebec, the federal government does not consult but implements policies from coast to coast. Consider the changes made within the Federal Office of Regional Development—Quebec. The new focus targets four areas: exports, new technologies, entrepreneurship and catalyst projects. According to the government, that is what the directors of SMEs want.

However, every region has to identify its own priorities. In our region for instance, these include tourism and culture. It will not be easy to get approval for these projects, since proposals for a cultural centre in my own riding have just been turned down. The federal government refuses to consider the specific needs of each region. We have developed instruments, including the CRD, the Conseil régional de développement, to promote regional priorities. The government could have consulted to harmonize its actions.

• (1655)

All this duplication and overlap is very costly. Why should we believe today that the Department of Industry will be able to reduce waste? When reading Bill C–46, I see, like everybody else in this chamber, that it maintains the status quo—an expression dear to the Prime Minister—between the mandates and the grouped departments.

Quebec's demand for exclusive jurisdiction over regional development is nothing new. Since the Quiet Revolution, it has been constantly restated. These are not whims, contrary to what the Prime Minister said. Since then, Quebec has had governments of every political stripe, but its demands have remained the same. Federal interference is still ubiquitous, and the regions are no better off as a result.

Let us recall why the Department of Regional Industrial Expansion disappeared in 1987: the regions were not involved in the funding request development and review process. The money that could have been used to fund excellent projects was instead given to useless ones. Industrial development was favoured at the expense of regional development. Since then, we have been living the same nightmare. If the federal government believes its general agreements have improved the situation, it is quite wrong. There may be no complaint from western Canada and the Maritimes which received $630 million and $1.2 billion respectively, whereas Quebec received $165 million. Is this fair? Regions can and must do more than simply supply domestic and foreign markets with raw materials.

It is the processing industries which create jobs and develop local resources. If we do not look after them, regions become more and more dependent. The federal government refuses to acknowledge that its approach to regional development are wrong. Yet, studies clearly show that the economic base is eroding, the social fabric is unravelling, the depopulation of rural areas is continuing, and young people are moving out of the regions.

All Ottawa is doing is regionalizing its operations by setting up regional structures. It might increase visibility, but it certainly does not improve efficiency. As we already said, federal interference causes duplication and inconsistency. The result is an administrative mess which slows down economic development in the regions and makes them the big losers.

The federal government's scope is so broad that it cannot correctly target the particular needs of a given region. As far as we can tell, FORD–Q is not free to make its action fit any total vision of local development.

It would be so simple for the government to promise to accept the priorities set by the regions, in order to maximize the impact of measures initiated by regional leaders in Quebec. Going along with the priorities set by the regions is one thing, having a third party role in the financing of regional development projects is another.

On this point, the rise in administrative costs and the squabbles with the provinces should convince the federal government that duplication between the two levels of government is damaging. This is why we insist so much on the need to decentralize budgets and decision–making. The future of the regions lies in the decentralization of power towards regional decision centres.

The government is not proposing anything to redress the imbalance in funding. While federal regional development funding has increased 50 per cent in Quebec since 1983, it jumped 300 per cent in the West and 250 per cent in the Maritimes.

• (1700)

Based on figures from the Federal Office for Regional Development—Quebec itself, the federal input in regional development is inequitable. Quebec's per capita share is $230, compared to $240 in Western Canada and $920 in Atlantic Canada.

Master agreements were mentioned earlier. The per capita results are catastrophic for Quebec in that regard as well, with $64 spent in Quebec in 1987, compared to $431 in Atlantic Canada and $259 in Western Canada.

The government could restore equity by cutting expenditures, as the Auditor General said, by eliminating tax breaks such as family trusts and the waste from duplication and overlap caused mostly by infringing on provincial jurisdictions, as mentioned earlier.

What would these billions of dollars be used for, Madam Speaker? This money could be used to restore equity in the amounts received by Quebec from the federal government for regional development. Quebec does not want its regional development to be built only on an industrial vision dictated by the Department of Industry in Ottawa.

Quebec has had its fill of inconsistent federal initiatives and policies. Why is it that the Quebec government has realized that the regional stakeholders are the only ones who grasp the real needs of their respective regions and the people across the way have not?

This bill is far from putting to rest the concerns that regional development organizations and all stakeholders have. The government must change course. We want Quebec to have exclusive control over the development of its regions.

We want to repatriate, in the form of tax points, the budget allocated to local development. We want decision–making and spending powers to be decentralized to the regions. This is a must for the economic development of Quebec. It is also a major component of our people's plans for sovereignty.

[*English*]

The Acting Speaker (Mrs. Maheu): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for London—Middlesex—Refugees; the hon. member for Mackenzie—Canadian Wheat Board; the hon. member for Berthier—Montcalm—Bovine somatotropin.

[*Translation*]

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Madam Speaker, I listened with great interest to the speech delivered by the Bloc member for Lotbinière, which was full of statistics—my congratulations to your researchers.

I find it very hard to understand logically how one can make such a wide–ranging speech in the House while demonstrating to this House that there is a lack of logic in Quebec on the subject of duplication.

The regional county municipalities that were created in Quebec in the last decade add another level of government, thus increasing administration and other costs and generating inefficiency. They then tell us that duplication must be reduced.

On the other hand, I agree that in the last nine years, the hon. member may have felt that the previous government did not look favourably on Quebec's demands.

• (1705)

Naturally, since our government's first year in power, we put in place a process to eliminate duplication. We said that before asking, or requiring each province to put its house in order, the federal government would start by putting its own house in order, thus eliminating duplication in all the various departments. The process is well under way. Public consultations on industry, finance and social programs were held at all levels before we started putting our house in order.

I also find it a pity that the member for Lotbinière does not admit that maybe Quebec should eliminate duplication among levels of government which may not meet the needs of small communities. We know that normally, the larger communities in a group or collection steer the ship.

The member also raised a very interesting point, that the federal government should withdraw from provincial jurisdiction, and he mentioned forestry, for example. Today, there is a very interesting article in which the president of the Quebec farmers' union, the UPA, demands that the federal government not withdraw from programs that subsidize agriculture in Quebec.

So are people talking to each other in Quebec? Are you members from Quebec listening to what your constituents are asking for, like continued federal participation in programs?

Considering the various federal programs which assist development in Quebec, I think that the member's speech should seriously be revised because it is quite illogical.

Something else you mentioned—

Mr. Landry: Ask the question.

Mrs. Ringuette-Maltais: You will have your question. You had your speech, so I will ask my question.

He said that processing industries are a priority for the regions. I agree, but if the primary industry for developing natural resources in these regions is not a priority in the first place, how can you develop a manufacturing industry in that field?

So the question is this: How can the member, in concluding his speech, ask for a transfer of tax points, when yesterday he wanted to withdraw completely from this beautiful country?

Mr. Landry: Madam Speaker, how much time do I have left to answer? I would like to know before answering—

The Acting Speaker (Mrs. Maheu): You have five minutes left.

Mr. Landry: Thank you.

I am very pleased to give an answer to the hon. member. First, I want to thank her for confirming that my figures are accurate. I might add that she could not have said that they were not. In any case, I am very pleased because it confirms that we are telling the truth.

I could mention other examples, other incidents which have occurred in the context of the federal government versus Quebec or the United States. I agree that we have a free trade arrangement, but still. Earlier, I referred to the Federal Office of Regional Development. Where did it invest in industry? It invested many hundreds of thousands of dollars. Some people asked me not to raise this issue. The office invested hundreds of thousands of dollars in a given Quebec industry, yet the federal government simply turns around and, for a comparable or similar price, buys in the United States.

• (1710)

I can tell you about this issue because I was involved in it. I said: Wait a minute; did this industry have an opportunity to bid? We are talking about a Quebec industry from my region, in which the federal government invested—listen to this—hundreds of thousands of dollars for research and development. If the federal government does not buy in Quebec but buys elsewhere in Canada, I say fine.

These are examples of duplication and mismanagement. I am telling you about what I know to be true, about what is really going on. The figures I mentioned are the actual figures.

I want to say something further about the industrial situation. In my riding, we have what is called BDCs, business development centres, which can also be found, I am sure, in other ridings as well. With $5,000, I can create a job. And if some people can deny this, I will listen to what they have to say, but I know that with $5,000, I can create one job. At the federal level, the infrastructure program needs $100,000 to create just one job. Did you hear that? With $5,000, I can create one job, but the federal government needs $100,000 in its infrastructure program to create just one job. This is quite a difference. In fact, it is a $95,000 difference to create just one job, since we go from $5,000 to $100,000. I thought I would just mention these figures.

Madam Speaker, you are indicating that I have two minutes left. I will take what time I have left to stress how important Bill C-46 is.

I do not want people to think that I criticize all the time. That is not my role. My role is to make suggestions, to ensure that there is some openness, but you, on the other side of the House, also need to show that you are open–minded. That is how we will be able to harmonize some of the various programs and initiatives.

The hon. member said earlier that I was very good at quoting statistics and that she could not deny these figures. I know she cannot deny them, I am not crazy!

Do you understand what we want? The hon. member recognized earlier that for the last nine years the situation has not been fair. I said so myself earlier. I always come back to the same example: it is important for a father with three or four children to treat them all equally. By treating his children fairly and equally, he avoids creating any type of quarrel.

I used some figures earlier. I understand what Quebec wants. I have seen other industries in Western Canada receiving millions of dollars in subsidies to gain access to Quebec's market, while Quebec's own industries were not receiving one penny for exactly the same products.

Madam Speaker, on the issue of fairness, let me give some advice: Render unto God what is God's and unto Caesar what is Caesar's, and everybody will be happy.

[*English*]

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, it is my honour to rise in this House today and speak to the third reading of Bill C–46, an act to establish the Department of Industry.

Given that this act gives the Minister of Industry powers relating to trade and commerce in Canada, consumer affairs, competition, and restraint of trade, it seems only appropriate to discuss a very major impediment to growth in the economy, the interprovincial trade barriers. This act gives jurisdiction to the industry minister to deal with the very serious situation that exists in trade between our provinces.

When Canada was created out of four British colonies in 1867, the founding Fathers of Confederation had one purpose in mind. They believed that if they united they could resist being pulled into the American sphere of influence and would retain their distinct cultural heritage.

There were two strategies to implement this which they saw as essential to resisting American pressures. The first was a unified military which could better defend the borders of Canada and which did so. The second was free trade between the provinces. It was believed that the free flow of goods and services would strengthen economic, political and cultural ties east to west instead of north to south. It is quite obvious in which strategy we failed to accomplish our objectives.

• (1715)

The fact is that trade in many goods between Canada and the U.S. today is freer and easier than the trade between provinces. For generations we have allowed the inefficiencies of small, protected regional markets in many goods and services to constrict the economy, hurt our political and cultural objectives and cost us jobs.

The United States is a good example of a country where wide open commerce between jurisdictions, negotiated and enforced by a national government has led to greater prosperity for the whole nation.

We are a trading nation and we have spent great energy concentrating on our external trading relationships which account for 25 per cent of our economy. The Americans count on exports for about 8 per cent of their economy yet they are a more prosperous nation. There is certainly a lesson for Canada in this. We must become much more focused on reducing barriers when it comes to domestic trade.

The Minister of Industry and the Prime Minister recently sat down with provincial counterparts to discuss eliminating some barriers. Unfortunately very little was agreed to and the status quo of small, inefficient and protected industries continues to reign.

A renewed effort is needed and if some parties are resistant to the movement the federal government should consider using some of its powers to force agreements into place. As the Prime Minister stated during the first ministers conference, thousands of new jobs will be created and this will benefit all Canadians regardless of region.

There is over $146 billion worth of trade happening between the provinces. There are also over 300 barriers to interprovincial trade in Canada and each one costs jobs, money, growth, and competitiveness. This has hurt the province of Ontario and indeed all Canadians directly. These barriers are a problem that can be solved. Even small improvements in reducing barriers can mean big gains for the country. It is time for us to get serious about dealing with them.

I am going to examine a few examples of barriers that exist to internal trade in Canada and the effect they have on Ontario and the country as a whole. The first barrier that comes to mind is one that has a large effect on employment in my riding.

There is a modern brewery in Simcoe Centre that employs hundreds of Canadians. Over the years this brewery could have employed more people, expanded its operations and become efficient enough to compete with major American brewers. This did not happen because its market has been restricted by trade walls enforced by provinces in an attempt to protect their local brewers. The protectionism that insulated and sustained these inefficient brewers for so long could now be the death of many of them.

International trade pressures are forcing small breweries out of business. Brewing is a $9.6 billion retail industry in Canada so even small reductions in production costs due to greater economies of scale will produce better prices for consumers in a much more competitive economy.

American brewers are gaining more and more access to our domestic beer market through the GATT, NAFTA and the free trade agreement. They will force out those who cannot compete. For example, a single brewery in Colorado Springs, Colorado produces all the beer under a particular label for the entire United States, a market of some 250 million people. How can we expect breweries that produce only enough product for a few million consumers to compete? It is extremely difficult to compete with that economy of scale.

Another barrier that may be less obvious to my constituents but affects them directly is the variation in provincial trucking regulations. Since each province has different size, weight, and licensing requirements there is a lowest common denominator that takes effect in interprovincial trucking. Truckers take a load that is the smaller and lighter of the two provinces' requirements and therefore a more expensive load. This ultimately hurts consumers who will have to pay more for the same products.

I believe that all Canadians wish to see this type of waste done away with and receive the most efficient and economic value possible for their hard–earned wages.

A barrier of major importance that must be dealt with quickly is the barrier each province erects when conducting its own government procurement. The provinces have a long history of purchasing from within their own borders regardless of cost. This raises the cost of purchasing, raising government expenditure and raising taxes. It also costs jobs in other provinces because the most efficient producers cannot sell outside their own provinces.

• (1720)

Some jobs may be protected locally but just like the brewing industry, these local producers are insulated and inefficient. The higher taxes affect all Canadians and cost in total more jobs than protecting the local industry will save. This hurts Ontario as it hurts all Canadians.

The industry minister attempted to achieve a deal on this important subject over the summer but due to the short–sightedness of some provinces, the agreement ended up being window dressing only. It is important that he make it a high priority to get the provinces back to the table and remove these barriers to competitiveness.

Interprovincial barriers to trade and financial services creates once again a higher cost to consumers, costs financial institutions their competitive position and costs Canadians jobs. It also affects another major employer in my riding which finds restrictions on selling its services outside Ontario.

Trust companies for example find barriers to trade in the different regulations that each province sets up. Much like the trucking industry a lowest common denominator approach must be taken to selling services in more than one market thereby increasing costs. A standard set of regulations for all provinces would eliminate administrative overhead, produce more competitiveness, lower costs for consumers and again ultimately create more jobs.

A further barrier to trade is the restriction placed on various types of labour mobility between provinces. This is of particular concern to an area such as Ottawa–Hull which straddles a provincial boundary but still affects people in my riding and indeed all Canadians.

Many of us are familiar with the dispute that erupted earlier this year between Ontario and Quebec on the issue of construction jobs. This was one of many barriers that prevented professionals and labourers from offering their services across Canada. This means competition is reduced and will result in higher costs in taxes for consumers.

Fortunately, Ontario and Quebec managed to resolve their differences on this single issue to the benefit of both. However this is the exception rather than the rule. It is time for us to sit down at the bargaining table and eliminate the many other barriers that are still in place.

It is important to reflect on the statements that have come from this government on the recent GATT agreement. The finance minister estimated that the economy would grow .4 per cent as a result of the implementation of this freer trade agreement. Estimates by the Fraser Institute on the effect of removing interprovincial trade barriers range from 2 to 6 per cent.

In other words, with GATT we spent seven years and millions of tax dollars to negotiate with 120 foreign countries an agreement to open up trading, yet we have an opportunity to realize five to fifteen times the economic benefit by negotiating among only ten provinces. Unfortunately this government has only given a very half–hearted effort to this point.

The bottom line is that interprovincial trade barriers mean lost jobs for Canada, higher taxes and product cost and a less competitive economy with which to face the world.

It is within the substance of this bill and the industry minister's mandate to reduce and eliminate all barriers to interprovincial trade and make Canada as competitive as it can be. The speed with which this minister takes action on this important issue will indicate to Canadians how serious the Liberals are about their promise of jobs, jobs, jobs.

We have an opportunity here that should not be missed. We can improve the economy. We can create jobs here in Canada and indeed hone our edge to be more competitive in the global market we are competing in today.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

Call in the members.

• (1725)

Pursuant to Standing Order 45(5)(*a*) I have been requested by the chief government whip to defer the division until a later time.

[*Translation*]

Accordingly, pursuant to Standing Order 45(5)(*a*), the division on the question now before the House stands deferred until 5.30 p.m. tomorrow, at which time the bells to call in the members will be sounded for not more than 15 minutes.

[*English*]

It being 5.30 p.m. the House will now proceed to the consideration of Private Members' Business as listed on the Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

BANKRUPTCY ACT

The House resumed from October 25 consideration of the motion that Bill C–237, an act to amend the Bankruptcy Act (priority of claims), be read the second time and referred to a committee.

Mr. Boudria: On a point of order, Madam Speaker, I think you would find unanimous consent that any division bells called on the private member's item now before the House later this day be deferred as well until tomorrow at 5.30 p.m. There has been consultation with the whips of all parties to defer that vote until that time. I think you would find that consent if you were to seek it, Madam Speaker.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Jean–Paul Marchand (Québec–Est, BQ): Madam Speaker, this bill provides that in cases of bankruptcy wages be paid as a first priority, up to a limit of $9,000 for each worker.

The present Bankruptcy and Insolvency Act passed in 1992 by the Conservative government maintains the preferred claim status for wages when an employer files for bankruptcy. It covers wage–earners by giving them preferred creditor status for wages earned during the six months previous to the bankruptcy, up to a limit of $2,000.

Wage claims rank fourth in the priority of preferred claims. Since claims of secured and preferred creditors must be paid first, there is not always enough money left to cover wage claims. Workers suffer the consequences.

Progress on that issue did not lead to a fair solution for workers. The problem has been dragging on since 1980, when the Standing Senate Committee on Banking, Trade and Commerce mentioned three possible solutions. The first was to give absolute priority to wage claims by putting them first, before those of any other secured creditor. That is exactly what the hon. member for Portneuf suggested today and I want to commend him for that.

Therefore, for almost 14 years now, this House has been analyzing the possibility of amending this legislation which is unfair to workers. For 14 years, by not addressing this problematic issue, this House has shown that it does not give a hoot about the interests of workers and what they produce.

Why hesitate so much on this single issue? Because we have to choose between the workers and the banks. That is the choice we have to make.

Why have we not made any progress? Because successive governments have not had the courage to come to the defence of the most disadvantaged in our society.

We are talking here about a ludicrous situation that has been going on for years. The struggle in this area has been tough. It took 40 years of fierce fighting to have the Bankruptcy Act reviewed in 1992. Extensive consultations were held with the stakeholders and people concerned because many divergent interests were involved.

Undeniably, some social choices are at the basis of such a bill. Unfortunately, and we must be clear on this, each time it has been proposed, the idea of giving first priority to wage claims has always been defeated by the banking lobby. This is obvious in all the documents dealing with this sensitive issue.

Some members claim that this bill would cause a rise in the unemployment rate, since according to them, lending institutions might reduce the amount of credit available to businesses if employees were given absolute priority over other creditors.

Of course jobs must be protected, but one can hardly argue that the success of an SME depends on whether it can avoid paying employees the wages, leave and pension fund contributions they rightly earned.

We must also consider the precarious situation facing employees who have no way to recover wages in arrears. We cannot endorse the principle of protecting the banks and letting employees who earn a modest wage fend for themselves.

Of course bankruptcy is an unpleasant situation and it always means someone will have to pay. In this instance, the House has the option of identifying four preferred creditors and deciding which creditor will be first in line to be reimbursed. These four creditors are: the government, suppliers, lenders and employees.

The House must now decide which of the four is best able to absorb the loss resulting from the bankrupt individual's lack of assets to reimburse each creditor. Who has the most to lose and who is the most vulnerable? Is it the government? Is it the suppliers? Let me explain my point of view.

For the government, despite the dismal state of its finances, the loss would be negligible, compared with the national debt.

As for the suppliers, they can claim losses due to bad debts and thus reduce their taxable income.

I am not worried about the lending institutions. They can consider bad debts as an incentive to improve their follow–up in the future, which should increase their sense of responsibility to society instead of encouraging them to ignore their customers' problems the way they do now.

Finally, we have the employees, who have no way of absorbing the losses they suffer following a bankruptcy. In fact, under our existing legislation, employees are forced to absorb these losses. They have no alternative, no way out.

This is not intended to be an exhaustive analysis of the subject, but employees are not only penalized by being unable to recover their salaries but also because they will not be reimbursed for expenses incurred during their period of employment: food, transportation and accommodation, in some cases.

Why up to $9,000? Because even when employers pay their employees wages every week or every two weeks, in some cases where substantial amounts well in excess of the $2,000 guaranteed thus far may have accumulated. Money owed to the employees in excess of this ceiling is not reimbursed and they have to absorb their loss.

• (1735)

In my view, this bill is a tool to motivate workers, a tool to foster productivity. Workers will be encouraged to take chances and accept compromises to help their SME go through rough times, if they are assured that at the end of the day, they will get their salary or their investment back, that is to say that they will recover their outlay before the government, banks and suppliers.

This is a far cry from the present legislation which makes workers bear the brunt of the losses by paying them back last, while we know full well that they do not get one extra penny when business is booming.

The government, by refusing to amend this unfair act, is applying double standards more than ever. I believe that amending the act and putting employees at the top of the list of preferred claims would be a matter of basic social justice, but it would seem that fairness is not a priority for the Liberal Party.

I will draw a parallel with the family trusts the Liberals are intent on protecting. This is another example of double standards where the rich are favoured at the expense of the poorest members of society.

Just as banks are protected by the Bankruptcy Act which makes sure that they are paid before the employees, the rich are protected once again through family trusts which make it possible for them to be granted a tax exemption for up to 80 years. This is a tax loophole available to the rich, while there is talk of taxing RRSPs, a plan designed for private sector employees who do not have a generous pension plan.

I repeat, this is a case of double standards.

It must be said: maintaining family trusts and the Liberals' refusal to change the order of priority of claims guaranteed under the Bankruptcy Act, serve only one purpose: to protect the wealthiest members of society.

Indeed, the family trusts the Liberals are steadfastly defending are not used by middle–income families. In this respect, I would like to quote the findings of a study by Ernst and Young which showed assets averaged $47 million in a random sample of 121 family trusts.

I repeat, Madam Speaker, this is a blatant case of double standards.

[*English*]

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Madam Speaker, I oppose this bill to amend the Bankruptcy Act because it would result in inefficiencies and an unfair burden on the general public.

I can understand the motive behind the proposed legislation. Why should banks, funeral businesses and accounting firms be paid out of the proceeds of a bankrupt firm before workers who typically have fewer resources than these enterprises?

The new law presumably would reduce profits of these firms without any dire social consequences while it would prevent the misery for the families of workers who can ill–afford to lose income they have earned. However, this view is shortsighted.

In a free society and under current law funeral businesses and accounting firms do not have to take business for which they are not paid. The proposed law does not envisage changing this condition. Therefore when an estate is to be dissolved and it is clear that if after the payment of labour there is no money left for funeral expenses and accounting services, who will do this work?

I see only one answer to this question. A government will have to undertake the task or at least pay for it out of general tax revenue. People have to be buried, accounts have to be settled to meet the requirements of property laws that have existed for centuries.

Under either approach the public ends up paying for these services. Therefore, the proposed legislation will enrich workers of a bankrupt company at the expense of the general public. I do not see the fairness of this outcome, especially because the wages earned by workers in different occupations and industry tend to compensate them for all kinds of risks in the first place. I will return to a discussion of this proposition in a moment.

• (1740)

Let me now turn to the not so obvious consequences of ranking secured loans below wages. This rule will increase the interest rates which lenders charge to businesses for loans for the purchase of tangible assets. This is not a malicious plot of capitalists. By doing so lenders will simply meet their fiduciary responsibility.

I venture to guess that none of us in this House would be very happy if our savings in a bank or credit union were used to lend to risky borrowers without proper risk premium and collateral. We would be very unhappy if the fiduciary holders of our money did not pool risky investments and did not make sure that on average interest earned on the pool minus payments for bankruptcy losses is equal to what they could have earned by investing our money in secure government bonds.

This is of course what lenders to business do. Therefore any government legislation like the one proposed which increases the rate of loss from loans requires an increase in the interest rate charged to all members in the pool of risky loans. One rather obvious consequence of this action is that borrowers' profits are reduced. They will try to raise the cost of their services and products to compensate for this reduction. This can be done only to a limited extent, otherwise they would have already charged higher prices before the interest costs went up.

To the extent that they succeed and get higher prices, the money which goes to workers first in line in a bankruptcy proceeding comes from the general consumer. I see no fairness in this. A less obvious effect of the higher loan rates to business is that some firms will not be started at all. As a result the demand for labour and the wage rate are lowered.

In addition, the average amount of capital held by business will be smaller. Therefore, labour productivity and wages will be lower. In effect, the rest of labour is forced to pay for the income earned by the workers in a bankrupt firm indirectly through higher interest rates charged by lenders. I see no fairness in this.

Finally, it should be noted that the probability of bankruptcy of firms can be predicted to some degree by the characteristics of an industry, a firm or the personality of the employer. Workers are smart and know how to look after their own interests. They enter employment contracts considering their pay in light of a wide range of conditions, including the risk of their employer going bankrupt. The idea of buyer beware is relevant to goods and services as well as the sale of one's labour.

The vast majority of workers therefore will accept employment where the risk of bankruptcy exists only if their wages reflect properly this condition. Otherwise they will find employment elsewhere. They will continue to stay with a company only if they feel their wages properly reflect the risk they are taking.

The motives for doing so are complex. I certainly would not hang around and work for a company about to go bankrupt and unable to pay me wages owed unless the prospective benefits are fully worth it.

I would postulate that the wages of workers, everything else remaining the same, are higher the greater a firm's risk of bankruptcy. The proposed law would remove or significantly lower the risk of wage losses from such events. This would encourage such workers to accept employment in such industries at lower wages. They would therefore on average be no better off than they were under the present law, except that the efficiency of the economy would be reduced because there would be an over expansion of risky firms and industries and a job and output reducing tax on the rest of the workers.

There are always some people who do not obey the principle of buyer beware or who have poor judgment about the prospect of a company's bankruptcy and ability to pay owed wages. I think the number of these people is small. I have confidence in workers.

• (1745)

Canadian workers are not dumb or unaware of the functioning of markets. Helping those few through the proposed legislation is very indirect and costly for reasons just discussed. Help for them should come through education and the publication of relevant information. Unions could play an important role in this process. They have the resources and are driven by the right humanitarian motives. Those who cannot be reached by these direct methods and who need help have to be taken care of by existing systems of private charity and public aid.

In sum, the present law regulating the order in which obligations of estates are settled in the case of a bankruptcy or death have existed for centuries. Institutions which have survived for so long should never be changed without very good cause.

They may appear to create injustices for some, but closer examination of their effects typically will reveal that serious unforeseen consequences are likely to arise if they are changed. The long survival of such institutions strongly implies that past efforts to improve them have failed.

I believe that my analysis of the indirect effects of the proposed change in the bankruptcy law support this view of the sociobiological evolution of institutions. I urge members of this Parliament to vote against these proposed changes.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, the purpose of the bill before us today is to move employees from fourth to first place in the legal order of precedence when a bankruptcy occurs. If it was passed, this bill would provide that when the assets of a bankrupt person or corporation were divided, the first people to receive payment would be employees instead of other people like funeral directors, lawyers and administrators, and secured claimants.

Funeral expenses, legal and administrative fees are not the main obstacle presented by this bill. Those who currently have the first right of payment are secured creditors, which is a broader and more significant category involving mortgage holders. These secured creditors are the ones who would suffer most from the enormous changes the bill would bring about in our financial system.

What are we really talking about when we speak of the order of precedence in the Bankruptcy Act? We are describing levels of risk. The one in first place on the order of precedence is taking the least risk in the case of bankruptcy, because the first one will be the first one paid out.

We know that all business ventures do not succeed. Some make it but some do not. When an employee or a lender enters into a contract with a business person, the risk of business failure is always there. The place one takes on the order of precedence will determine just how much risk one is willing to undergo.

Employees are now fourth on the list, so employees bear more risk than some others. This means they should carefully consider whether they want to give their time to a business they suspect might fail. The hon. member who spoke previous to me already pointed out that they are smart enough to make that decision already. It goes without saying that if lenders were moved lower in the order of precedence, they would have to consider more carefully than they do already whether or not to lend money to a business.

If we change the order of precedence on a broad, nationwide basis, we are making a determination about risk and who should bear it. We are also making a statement about what is most necessary in society for the efficient functioning of business. Given that we all want private enterprise to flourish, we must make the rules in such a way as to facilitate the most efficient way for all Canadians and the marketplace to prosper.

Government could put up all sorts of artificial and unnecessary barriers to the free functioning of the marketplace for one political reason or another at the expense of the efficiency in the marketplace.

For instance, the environment is important so the government could pass a zero emissions law for the auto industry, stating that automobiles could not pollute at all. In this impossible example it is obvious that the auto industry would immediately grind to a screeching halt. I merely want to demonstrate that in considering what laws to pass, governments must strike a balance between the efficiency of the market and the kind of business it wants to foster.

From that example let us move back to the matter at hand. If an employee was first on the order of precedence, the employee would be taking the least risk in the case of bankruptcy and the lender would have to incur more risk than before. This consideration of greater risk would have inevitable efficiency results in the marketplace. I want to describe what they might be.

• (1750)

Certainly there would be one positive result, namely that of paying back employees who were not paid full wages or severance pay if a person or corporation went bankrupt. This would be nice for the employees. Employees are important and necessary actors in our financial system and deserve due consideration. But this is the only positive effect I have been able to think of in this bill.

This scenario is directly analogous to the auto industry I was just talking about. I maintain that the passage of Bill C–237 would have a harmful effect on employment in general in the country. It would make small business less efficient and slow the pace of economic activity across the nation. Just like a zero

emissions policy in the automobile sector would do more harm than good, I am convinced that the sum total of harm caused to employees would be vastly greater than the losses they now suffer as a result of being in fourth place on the order of precedence.

The first harmful effect a change in the order of precedence would cause would be a reduction I believe in the overall employment in Canada. A company which needed, for example, $1 million and wanted to employ 25 people would not be able to compete for funding with a company that also wanted a $1 million loan but was only going to employ 10 people.

The risk would be much reduced if there were fewer employees to pay out before the lender received his or her share. This would cause businesses to shy away from labour intensive enterprises and move toward enterprises involving technology even more than labour. People would become less important players in our financial markets as a result of this change and machines would become more important.

The second effect we would feel at a national level would be more important. It would have a direct impact on foreign investment. Capital is very mobile on a global basis and foreigners invest in our economy all the time. If another country had laws that would guarantee them less risk than Canada could, then their money would tend to flow out of Canada and into other safer business enterprises around the world.

Canada depends a lot on foreign capital. We cannot afford to send foreigners a message that they are not welcome here. The loss of their financing would mean less investment and fewer businesses. Again this would have a direct, more serious negative employment effect across the country.

The final effect would be the most serious of all. If lenders had to undergo more risk than they do now in lending they would be forced to think twice before lending at all. This would mean that more marginal business ventures would have a harder time raising capital. When they wanted to borrow money they would have to pay a risk premium, in other words, a higher interest rate for that money. This would mean that many businesses simply would never get off the ground because they would not be able to afford the interest payments on their loans.

Government currently plays a role, unfortunately, by lending to marginal, more risky businesses through agencies like the Western Diversification Fund and the Atlantic Canada Opportunities Agency. But the capacity of governments to do so in the future is being vastly reduced by government debt. Therefore government in this case would not be able to take up the slack in this area of the market.

We all know that many innovations never succeed but a few pay off handsomely. Innovative entrepreneurs are important in our economy and Bill C–237 might discourage them from taking risks. Their ideas would never see the light of day if access to risk capital were reduced.

It is obvious that fewer people would be employed as a result of this restriction on lending capital. What employees gained in wage security they would lose in job security. The old adage that you cannot get something for nothing is truly relevant here. What little you might have gained in one sector of the economy you would lose far more in another. Bill C–237 would have a detrimental effect on employees.

As usual, government meddling with the marketplace would have the most detrimental effect on small businesses. I would remind members that over 97 per cent of all firms in Canada have less than 50 employees. Small business is the engine of economic growth and we want to keep fueling that engine, not choke off its fuel by unnecessary government restrictions such as the one we contemplate here today.

The argument is that we need to be kinder to employees. Somehow we need to make them more secure. But is it really a kindness to give them that kind of security and then throw them on the dole? What kind of effective security is that? It is security for some but it is unemployment for others.

As I said a few moments ago we will all be more prosperous if private enterprise flourishes in Canada. That is a given. All we need to do is discover what rules to set in place that will make this happen. I would remind members that the rules in the Bankruptcy Act are not arbitrary. They represent the interests of people acting in the marketplace over generations of litigation and thousands of cases of business relationships.

• (1755)

I have stated adequately my clear opposition to this motion. It is not because I appreciate workers less than the member for Portneuf. The rules of business should maintain the overall efficiency of private enterprise because the security of private enterprise ensures job security for Canadian workers.

In my opinion, the order of precedence assigns risk in a way that benefits business efficiency. In that way it serves the public interest. It should, therefore, remain intact.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Before recognizing the hon. member for Portneuf, I would like to say that pursuant to Standing Order 44, no member, unless otherwise provided by Standing or Special Order, may speak twice to a question. It says:

> 44.(2) A reply shall be allowed to a member who has moved a substantive motion, but not to the mover of an amendment, the previous question or an instruction to a committee.

Therefore, the hon. member for Portneuf has the right to reply.

Mr. Pierre de Savoye (Portneuf, BQ): Thank you, Madam Speaker.

Debate on Bill C–237 that I have had the pleasure of introducing is drawing to a close. My Liberal and Reform colleagues showed no real willingness to redress the obvious injustice towards unpaid workers who assume part of the burden of their employer's bankruptcy.

Here is what the Liberals and Reformers argued. First, banks would be reluctant to lend money to companies.

Second, these same banks would lose patience more quickly when a company was experiencing difficulties.

Third and final argument, such a super priority for wage claims would be unfair to other creditors, including the Crown.

I will start by disproving the first argument. You know as well as I that generally speaking employees have no say in the way their employer runs his business. An employer can mortgage the company using his employees' salaries and wages as collateral. All creditors give legal consent for the money they loan to a company, but not employees. They have no say in the matter. Yet, their salaries, the fruit of their labour, is put up as collateral for other creditors. This is clearly unfair.

Moreover, the government does not get a penny out of unpaid wages. If salaries were to become a super priority, they would be paid to employees and the Department of Revenue would get its share. This disproves argument number 3.

The second point, that banks would be less patient with businesses in difficulty, is an interesting argument since banks are responsible for ensuring that the business to which they lend money is solvent. Banks are well placed to see if a business is able to pay its employees' salaries. If a bank lends to a business that is not able to pay its employees, it means that this institution agrees to let the workers bear the risk of the loan. Such an attitude would be both unjust and unacceptable.

Bill C–237 would force banks to be more responsible in this regard, which is highly desirable, you will agree.

This brings me to the first point. Is it true that this bill will affect the financing of businesses? I remind you that suppliers retain a right of ownership on unpaid supplies. The granting of that right in the past did not affect companies' access to funds.

• (1800)

We should also note that the industry committee recently tabled a report on the Small Businesses Loans Act. Here we have a good opportunity to illustrate the interdependence and complementarity of two measures: Bill C–237 corrects a problem for workers and the committee report enhances business financing. Consequently, the argument that business credit could be restricted does not hold any more. That did not happen in the case of a similar measure concerning suppliers and besides, the Small Businesses Loans Act could provide for that.

May I remind you that the Parliamentary Secretary to the Minister of Industry said in the second part of the debate on this bill, on October 25, that "until we have the banks acting more progressively and until their attitudes change toward small business, this bill should be defeated".

That is the main repugnant reason why some Liberals objected to this bill. That is also the main reason why all bills advocating the super priority of wage claims have failed for more than 20 years. Not for practical or economic reasons, but simply because we should wait for the banks to change their attitudes.

Well, I say no. Our workers have been subjected for too long already to the financial institution lobby. Over the past 20 years or so, in parliamentary committees, advisory committees and a stunning amount of legislation, banks have been used as an excuse to reject any piece of legislation on the priority status of wage claims, and every government has given in to the powerful banks.

In closing, let me repeat the arguments for this bill. First of all, this measure is intended to protect the driving force behind our economy, the workers. Next, the principle of priority for wage claims is one that makes up for the injustice done to workers by giving them the rank to which their work give them an indisputable right.

Moreover, this proposal will ensure that salaried employees will have better chances to be paid and paid more quickly. Let me add that the superpriority will allow them to be paid without any cost to the taxpayers. In fact, the government will get its share.

Besides, it is obvious that the risk that this superpriority would restrict credit for businesses has been deliberately exaggerated. That will not be the case. Finally, need we point out that it is not up to the workers to guarantee, with their wages, and without their consent, financial decisions made by their employers.

In its red book, the Liberal Party claims that it is committed to the principle of social solidarity, and I quote from page 73. It is stated that many of the laws and policies that previous Liberal governments enacted remain the basis of our system of social support, "through which we pool our resources to create programs that benefit all Canadians and help to sustain people through difficult times".

Therefore I ask the government members to fulfil that commitment in supporting Bill C–237 so that it can be referred to a

committee where it will be improved before coming back to this House, so that the public can be better served.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

Pursuant to the order made earlier this day, the recorded division stands deferred until 5.30 p.m. tomorrow.

• (1805)

Ms. Catterall: Madam Speaker, on a point of order. Given that we seemed to have disposed with Private Members' Business a bit early, I think if you would ask you would find there is unanimous consent in the House to call it 6.30 p.m. so that we could proceed with the adjournment proceedings.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

CANADIAN WHEAT BOARD

Mr. Vic Althouse (Mackenzie, NDP): Madam Speaker, in this post–adjournment period I wish to reopen a question that I put to the minister of agriculture on Monday. I asked him whether there would be any changes in the government's policy toward the Canadian Wheat Board.

I asked this because during the election the Prime Minister was quite clear that the policy of the Liberals was to support the

board. In the election that was quite important. There was a small group of farmers demanding a dual marketing system which would have had the effect of breaking the ability of the board to put prices on grain for western farmers.

Since that time the elections for the advisory committee have occurred. That election was openly fought between people who supported a strengthened board and those who wanted the board to either disappear or have very limited powers. As it turned out, 10 of the 11 positions on that advisory board were filled by people who supported a strengthened board. This is actually the strongest electoral situation the advisory committee has been in since it was first brought into being back in the mid–seventies when I happened to be a member of it.

The turnout was one of the heaviest that there has been. We have to remember this is a mail out ballot. A lot of the ballots never get opened. They get lost in the pile of mail that comes home. On average just over 46 per cent voted. This was one of the higher turnouts. In the two eastern provinces the turnout was considerably higher than in Alberta where it was just over a third of the farmers who actually voted.

I note that some of the board's detractors are saying that this does not tell anything because the turnout was not very high. I want to point out that even in Alberta where the return was only about 36 or 37 per cent, that is higher than the U.S. congressional elections which just changed the whole outlook of that Congress. It is higher than the normal presidential elections in the United States. Forty–six to 48 per cent which is what most of the provinces had for a turnout was much higher than we see in most municipal elections and occasionally in provincial elections. I do not think we can argue that this was not a legitimately elected group.

There are some special problems that face the board at the moment and I think this newly elected group should be utilized by the minister to look at some of those problems. New grains are something rye producers in particular have shown they are willing and ready to have included in the board's jurisdiction. The advisory committee should be given that as a question to look at.

It could also be asked to provide opinions on how to integrate organically produced grain and perhaps the question of grains milled on farm or by the owner of the grain, which is something organic producers particularly want to have looked at. This is a special niche market. The board has been occupied in developing these special situations.

• (1810)

I wanted to raise these in the post–adjournment debate because I think the minister is aware that there are many more things that the wheat board could be doing and I wanted to know whether the Prime Minister's assurances during the election campaign that he supports the board meant a stronger board, an expanding board, or simply a status quo kind of board. I hope the

result of the elections would give the minister the assurance that farmers are behind an expanded and growing wheat board.

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Madam Speaker, the hon. member's interest in and concern for the Canadian Wheat Board is noted and appreciated. I am pleased to have this opportunity to respond to his remarks in greater detail than I would be able to do during the course of Question Period.

The member makes reference to the most recent election of the Canadian Wheat Board's producer advisory committee and the proper interpretation to be placed upon the results of that election. The committee consists of 11 members. In the most recent election results 10 of those 11 members were identified very much as pro–board candidates who opposed any weakening of the Canadian Wheat Board, opposed the concept of dual marketing.

While this election was not a direct plebiscite about marketing systems, and while the overall producer participation in the voting was only about 40 per cent, I think it is fair to say that the vote results show an important level of producer support for the Canadian Wheat Board. I do not think it would be fair to say that the vote is the be all and end all. I do not think it would be fair to say it is the absolute last and ultimate word. It is one very important piece of evidence which is clearly supportive of the Canadian Wheat Board.

Over the course of the last year or so a controversy has been brewing among western Canadian farmers about the Canadian Wheat Board and this notion of alternative marketing systems. It is a subject upon which different groups of farmers hold profoundly different opinions. So far there has not been a rational, full, frank, objective opportunity for farmers to discuss all of those alternatives and to have a face to face analysis of the situation in a frank and logical way.

That is why I plan to carry through on a commitment that I have made to provide farmers and all interested stakeholders with that full, objective, logical, rational forum and mechanism within which to examine the alternatives, have all of those alternatives subjected to examination and cross–examination so there can be that full analysis with the full participation of the farmers. I am confident that in that process the Canadian Wheat Board will do very well.

REFUGEES

Mr. Pat O'Brien (London—Middlesex, Lib.): Madam Speaker, I would like to elaborate on a question I put to the Minister of Citizenship and Immigration on November 24, 1994. I asked what action the Canadian government is taking to ensure the human rights of Vietnamese refugees in southeast Asia.

On December 12, 1948, the year in which I was born so it is close to my heart, the United Nations Assembly passed the universal declaration of human rights. On Friday of this week the world celebrates International Human Rights Day.

I have a number of constituents from the wider area of southeast Asia and the concern has been raised with me and other members in southwestern Ontario that constituents of ours are very concerned about the safety of some of their family members in their original homelands.

Since 1988 Hong Kong has granted refugee status to Vietnamese who proved justified fear of persecution at home and I understand that since 1991 refugees have voluntarily been returning to Vietnam. The Hong Kong government is now operating a program of forcible repatriation to encourage the 24,000 refugees remaining in camps there to leave by 1996. That is the cause of the very real concern a number of Vietnamese Canadians share about the safety of their loved ones back home.

• (1815)

There is no question there have been incidents of violence and assault against these refugees. In September of this year the Government of Hong Kong admitted quite candidly that 142 Vietnamese refugees were injured in a forced repatriation operation. There have been serious allegations and questions about police brutality since the repatriation program began earlier this year.

This deplorable situation has been brought to my attention by leaders of the Vietnamese community both in my own city and in southwestern Ontario, and indeed by certain segments of the media in southwestern Ontario. I share their concern. Quite frankly Canadians generally would share this concern. We do not want to see human rights violations such as these going unanswered.

I certainly applaud the actions of our own new government and of previous governments of various political stripes in being a leader in the world in accepting refugees from virtually every part of the world. We know that is true and we are all as Canadians rightly proud of that record. However there is a situation here which needs to be addressed.

I am pleased to follow up my question to the minister this evening with this statement and to explore a little further the answer the minister gave to me in the House.

I would like to put a question to the parliamentary secretary. What other initiatives can Canada take besides accepting refugees? What other initiatives, either publicly or through appropriate diplomatic channels, does the government foresee might be taken to stop violence against Vietnamese citizens forcibly repatriated against their will?

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Madam Speaker, I would like to thank the hon. member for his question and for the concern he has shown for the situation of Indo–Chinese boat people throughout southeast Asia.

As the minister has already stated, Canada has also played an important role in the development of the comprehensive plan of action in 1989. Under this international agreement Indo–Chinese asylum seekers are screened under U.S. auspices.

Persons who are determined to become convention refugees are eligible for resettlement in a third country such as Canada. Persons who are found not to be refugees are expected to return to their country of origin. Most of the people who remain in the camps in Hong Kong have been determined not to be refugees and are expected to repatriate to Vietnam.

The non–refugees have been offered voluntary repatriation to Vietnam under United Nations supervision with an additional inducement of reintegration assistance paid by the international community.

Since the inception of the CPA in 1989 Canada has contributed $9 million for maintaining the camps and for returnee programs; 60,000 have returned voluntarily. Unfortunately approximately 50,000 Indo–Chinese remain in the camps in southeast Asia, the vast majority of whom have been found not to be convention refugees after examination under the CPA.

The international community and Canadians expect that humane methods are used to ensure the safe return of these people to their own countries. However in a removal situation, particularly when the individual being returned is not co–operative, some force unfortunately has been employed.

Canada's response to the Vietnamese refugee crisis has been exemplary. During the first 10 years of the Indo–Chinese movement from 1979 to 1988 over 79,000 Vietnamese were resettled by Canada from the camps of southeast Asia. Since the implementation of the CPA in 1989, Canada has resettled over 19,000 Vietnamese refugees from the camps of southeast Asia. In addition, under regular immigration programs directly from Vietnam, Canada has resettled nearly 50,000 Vietnamese.

I congratulate the hon. member for London—Middlesex for raising this important question and for his concern.

[*Translation*]

BOVINE SOMATOTROPIN

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Madam Speaker, before asking my question this evening, I will briefly review the situation to show what led the Official Opposition to raise this issue.

The whole thing started when we learned that the director of the Health Canada Bureau of Veterinary Drugs, who had been on leave without pay for about a year, was lobbying on the Hill to convince some government members of the merits of the hormone called somatotropin. You will remember this hormone stimulates milk production in cows. This issue raises many questions.

The main question is: How can the minister allow the director of the bureau currently examining the possibility of releasing this hormone for market to "pressure" his colleagues or at least try to convince them of the merits of this hormone while on leave without pay?

He is still the director even though he is on leave without pay. Let us be clear on the principle of leave without pay. The person on leave whithout pay does not lose his or her seniority, and continues to be entitled to his or her insurance plan, pension, disability insurance and everything else.

Even if this individual is on leave without pay, he knows the staff of this bureau. We find the minister's inaction on this rather deplorable.

This week, I wanted the minister to tell us why she did not respond before and what she intends to do about this director who, in my opinion, is unduly lobbying certain members of Parliament, in view of his previous functions.

I would like the minister or her parliamentary secretary to tell us whether her departmental staff feels that this is normal and what action they will take immediately to stop this activity, so that the health department can have some credibility with the public. This department has extremely serious responsibilities, and I do not think that we should play around with such things.

I would like the parliamentary secretary to tell us what the Department of Health intends to do about that.

[*English*]

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, the hon. member has raised a couple of statements with regard to the presentation of the person involved to a parliamentary committee, it is my understanding, at the request of the committee.

It is also my understanding from what we know of the issue right now that the person spoke only of issues that were public information. There was nothing spoken at the parliamentary committee level that was private information.

Second, the person did not have anything to do with the BST file within the Department of Health. Third, as the hon. member well knows, the person was also not working and was on leave of absence from the Department of Health at the time.

More important, the issue is being investigated. We cannot go on hearsay or on misunderstanding of issues. The issue is being investigated by Health Canada at the moment. As soon as the investigations have been finished and thoroughly looked at, the minister will be reporting to the House of Commons.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.24 p.m.)

HOUSE OF COMMONS

Thursday, December 8, 1994

The House met at 10 a.m.

Prayers

[*English*]

PRIVILEGE

SIR JOHN A. MACDONALD

The Speaker: I have a notice of a question of privilege from the hon. member for Kingston and the Islands. I am going to allow the question of privilege because yesterday, in reviewing the blues and what was said, I found that perhaps I acted a little hastily in cutting off the member. I am going to allow some additional information to be put on the record.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, yesterday I was seeking to make the point that a publication of the House, admittedly in conjunction with the National Archives of Canada, contained a substantial error in that it failed to mention in the list of constituencies for Canada's first Prime Minister the fact that he was the member for Kingston.

I raise this point in some seriousness. I know it was treated with a bit of merriment yesterday afternoon. This particular Prime Minister was identified closely with the Kingston community. He represented Kingston in either the legislature or in this House from 1844 until 1891, with the exception of a nine–year break between 1878 and 1887 when he represented other constituencies in this House.

He was substantially raised in Kingston. He practised law in Kingston from the age of 19 in the 1830s until 1873. For over 40 years he practised law in Kingston. As I have indicated, he represented that community for a very long time and made a very substantial contribution there. He was buried in Kingston and there are countless statues and monuments to him in Kingston.

To have Kingston omitted from the list of his constituencies is really a shocking omission. With the greatest respect, of all the Prime Ministers in the book he probably had a closer connection with his community and is known to have had that connection with his community of Kingston than all the other prime ministers had with their communities.

My point is that this book ought to be repaired and replaced. It is frankly misleading, particularly to students who I am sure are going to be the principal users of this book. I see that it has a foreword with Your Honour's name on it, it does not have a signature, and another by the national archivist.

From the point of view of accuracy, I think it would be very wise to have the book reprinted. It is an excellent book and a fine publication. It is wrong in this particular. It is a serious enough error that it ought to be corrected.

The Speaker: I do take the hon. member's intervention seriously.

• (1005)

My name is associated and therefore the House's name is associated with this publication. That is the reason I permitted the extra information to come on to the record. I will review everything that has been said and, if necessary, I will get back to the House with a decision on this matter.

Also I would like to take a few minutes of the time of the House. In reviewing the blues yesterday and in fairness to all members I want to make a couple of points clear with regard to unparliamentary language.

Something may be unparliamentary in our language today and it may be parliamentary tomorrow. All that to say that no one word in and of itself is always unparliamentary. It is rather the context in which the word is used, the tone in which the word or words are delivered and if there is disorder in the House.

If any one of these things occurs, it is incumbent upon the Chair to interpret what is going on in the House. To say that your Speaker is going to at all times make decisions that are acceptable to all members of Parliament would be hoping for the impossible.

The Chair should have the latitude and will take the latitude to ensure that if a word is used in its tone, in its meaning, in perhaps the disorder it causes in the House then the Chair will intervene at that point. He or she may rule a word unparliamentary.

I want it clear to all members of the House that even the word liar is not always unparliamentary. It will depend in the context in which it is used. However, if one member calls another

member a liar, that is clearly unparliamentary, and I wanted that to be understood.

To the interveners yesterday, the hon. member from Winnipeg who rose to make the point, the hon. member for Kingston and the Islands who made an intervention and the hon. member for Kindersley—Lloydminister who all contributed to the discussion on a point of order, I have taken all your suggestions into account. I want you to have a general feeling of what the Chair and the person in the chair will be looking for when it comes to unparliamentary language.

I hope that this is acceptable to the House and that it will give general directions with regard to the words we are to use in our debates and also in question period. I thank you for your indulgence.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (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 certain petitions.

* * *

[*English*]

COMMITTEES OF THE HOUSE

JUSTICE AND LEGAL AFFAIRS

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Justice and Legal Affairs.

Pursuant to the order of reference of Tuesday, June 21, 1994, your committee has considered Bill C–37, an act to amend the Young Offenders Act and the Criminal Code. Your committee has agreed to report it with amendments.

The committee considered the bill for three months, heard 42 witnesses and made 28 amendments. I want to thank members of the committee and witnesses for their contributions and co–operation.

The phase two examination of the Young Offenders Act will take place in the new year.

CITIZENSHIP AND IMMIGRATION

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Citizenship and Immigration on Bill C–44, an act to amend the Immigration Act and the Citizenship Act and to make a consequential amendment to the Customs Act, with amendments.

• (1010)

FINANCE

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, I have the honour to place before the House today, in both official languages, the 10th report of the Standing Committee on Finance entitled "Confronting Canada's Deficit Crisis: Building Our Next Budget Through Consultation".

Briefly the report is the result of an unprecedented seven weeks of intensive consultations and study involving members from all three parties. I take this occasion to thank members of the committee from all three parties who brought such diligence to this undertaking.

I also thank all those who have worked with us. Far too often they have not been recognized for what they have done. I talk not only of the many witnesses who appeared before us, often on very short notice, but particularly members of the Library of Parliament who worked with us, especially the clerks to our committee, Christine Trauttmansdorff and our chief clerk, Martine Bresson, and all the people of their staff who have been working 24 hours a day over the last week in order that we could meet this deadline.

We have been extremely well served as parliamentarians by these very devoted public servants.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, like my colleague, the chair of the finance committee, I wish to thank the staff, and especially the office of the clerk, for the excellent job they did when the committee was preparing its report and during the committee's public hearings.

Remember that the Official Opposition tabled a dissenting opinion as an appendix to the report of the Liberal majority. Why a dissenting opinion? First of all, because the Bloc Quebecois, the Official Opposition, is convinced that the measures supported in the Liberal majority's report do not reflect the vision and the views of Canadians expressed at the public hearings.

Second, there is the prospect of an increase in taxes across the board for all Canadian taxpayers. We cannot support this proposal and we are particularly wary of the statement that the increase will be only temporary.

Third, the Liberal majority's report announces a series of tax increases or at least the prospect of tax increases which will again affect a middle class already taxed to the hilt since 1984.

Fourth, the report, and this is our main grievance, launches another attack on social programs by proposing cuts in addition to those already announced in the last budget.

Fifth, the report ignores the fact that more jobs can also mean more tax revenue and, in the end, an improvement in the state of Canada's public finances. For all the reasons I just mentioned, readers will see the Official Opposition's dissenting opinion appended to the report.

* * *

PETITIONS

VOICE MAIL

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, pursuant to Standing Order 36, I have the privilege to present a petition from 649 members of social organizations called AFEAS—Associations féminines d'éducation et d'action sociale—and of golden age groups.

Whereas the elderly are usually less familiar with the technology of voice mail but still have a right to proper service, especially for their enquiries about income security, the petitioners pray and call upon Parliament and the government to give up the plan to implement voice mail for seniors.

[*English*]

CANADIAN WHEAT BOARD

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I have the honour and privilege today of presenting, pursuant to Standing Order 36, a petition signed by many residents of my constituency, specifically from the communities of Marcelin, Rabbit Lake, Hafford, Blaine Lake, Krydor and Leask.

The petitioners state that a very vocal minority of citizens are requesting Parliament to institute a dual marketing system of wheat and barley for export.

• (1015)

The petitioners therefore request that Parliament continue to give the Canadian Wheat Board monopoly powers to export wheat and barley. They also request that Parliament expand further Canadian Wheat Board marketing powers to include all grains and oilseeds.

ASSISTED SUICIDE

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, it is a pleasure today to rise to present a petition on behalf of 458 citizens who ask that the Parliament of Canada protect and take care of human life and human dignity; that physicians should not be working to end lives but to save them.

The petitioners do not want the Criminal Code of Canada changed in any way to suggest that assisted suicide be made legal or countenanced by the state in any way.

I concur with my petitioners.

MINING

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, pursuant to Standing Order 36 I present a petition containing 100 signatures from residents of Nova Scotia petitioning this honourable House to keep mining in Canada.

Canada's mining industry is the mainstay of employment in over 150 communities across Canada, an important contributor to Canada's gross domestic product and total exports and a cornerstone of our economic future.

Therefore the petitioners call on Parliament to take action that will grow employment in this sector, promote exploration, rebuild Canada's mineral reserves, sustain mining communities and keep mining in Canada.

I concur with this petition.

RIGHTS OF GRANDPARENTS

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, in accordance with Standing Order 36, I would like to present a petition signed by residents of the community of Westlock in my constituency of Athabasca.

The petitioners request that Parliament amend the Divorce Act to include a provision similar to article 611 of the Quebec Civil Code which states: "In no case may a father or mother without serious cause place obstacles between the child and grandparents. Failing agreement between the parties, the modalities of the relations are settled by the court".

They further ask for an amendment to the Divorce Act that would give a grandparent who is granted access to a child the right to make inquiries and to be given information on the health, education and welfare of the child.

I present this petition and support the petitioners.

GUN CONTROL

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, pursuant to Standing Order 36, I would like to present a petition to the House on behalf of 199 signatories. It is sponsored by the Responsible Firearms Coalition of B.C. which prays and requests that Parliament refuse to accept the anti–firearms proposals of the Minister of Justice and insists that he bring forward legislation to convict and punish criminals rather than persecute the innocent.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I am pleased to rise today to present five petitions to the House. I have petitions with 976 signatures opposing further gun control.

HUMAN RIGHTS

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, there are 906 names opposing amendments to the Criminal Code, the Canadian Human Rights Act or the Charter of Rights and Freedoms that include consideration of same sex relationships.

ASSISTED SUICIDE

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, there are 163 signatures opposing assisted suicide.

ABORTION

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I have 128 signatures opposing abortion.

PORT OF CHURCHILL

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, there are 127 names requesting that the port of Churchill be recognized as a permanent, major port facility.

I respectfully submit these petitions with my support.

HUMAN RIGHTS

Mr. Peter Milliken (Kingston and the Islands, Lib.): Mr. Speaker, I am pleased to rise to present a petition signed by 210 residents of the city of Toronto protesting discrimination against persons living in same sex relationships.

The petitioners call on Parliament to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation and to adopt all necessary measures to recognize the full equality of same sex relationships in federal law.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

The Speaker: Shall all questions stand?

Some hon. members: Agreed.

• (1020)

[*Translation*]

The Speaker: Honourable members, today being the last alloted day for the supply period ending December 10, 1994, the House will now proceed as usual to consider and adopt a supply bill. Considering recent practice, does the House agree that this bill be now distributed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—PROCESS INITIATED BY THE GOVERNMENT OF QUEBEC

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ) moved:

That this House enjoin the government to recognize the legitimacy of the democratic process initiated by the Government of Quebec in order to allow Quebecers to chart their own political and constitutional future.

He said: Mr. Speaker, there will be a referendum on sovereignty in Quebec. That referendum will be preceded by a broad democratic consultation throughout Quebec.

Federalists, both in Quebec City and in Ottawa, refuse to take part in that consultation process. But before we discuss the reasons why federalists refuse to participate in that debate, we must put that process into perspective, explain its nature and verify its legitimacy, since federalists are questioning its legitimacy.

First of all, let us make it clear that federalists, headed by the present Prime Minister, are in a very bad position to talk about legitimacy, respect for democracy and clarity. Remember that the present Prime Minister was responsible for patriating the Constitution in 1982. Remember also that there was absolutely no consultation when the Constitution was patriated. There was no referendum. The Quebec National Assembly was against that patriation. The opposition leader in Quebec city and Liberal Party leader, Daniel Johnson, denounced that patriation.

Just recently, during the election campaign in Quebec, it was again the present Prime Minister, with the hon. member for Sherbrooke, who was responsible for the demise of the Meech Lake Accord, through the Charest report, and with the help of Clyde Wells, from Newfoundland, and the help of the present member for Churchill, in Manitoba, who is sitting in this House today.

Quebecers do not need any advice on democracy from the current Prime Minister because the process proposed by the Government of Quebec is entirely legitimate, clear and democratic.

In fact, that process derives directly from the Bélanger–Campeau Commission, which we should not forget. This commission said there were two options: renewed federalism and sovereignty. However, a referendum was held in Quebec as well as in all other parts of Canada on renewed federalism Charlottetown style. The Charlottetown Accord was rejected by Quebec-

ers because it was not enough for Quebec and by the rest of Canada because it was too much for Quebec. So only one option remains: sovereignty.

That is the rationale behind the Bélanger–Campeau report, which was signed by Robert Bourassa, Daniel Johnson and all the members on that commission, except the current Minister of Foreign Affairs.

The Government of Quebec must act upon the Bélanger–Campeau report. The question is how. With the proposed consultation process. I have difficulty understanding why the federal government is opposed to such a consultation process since that is all we have been doing here for over a year.

The Committee on Human Resources Development is holding consultations everywhere in Canada, the finance committee just did the same; the Minister of Justice consults left and right without proposing anything concrete to this House. All these consultations are being held without a clear plan, without a bill. They consult for the sake of consulting. On the contrary, the Government of Quebec's initiative is based on a bill, a draft bill which is clear and specific and proposes a plan. To me, this is democracy, this is consultation.

• (1025)

Federalists tell us that there is only one option, a plan for sovereignty. What an amazing discovery, Mr. Speaker. As a matter of fact, it is a plan for sovereignty because a pro–sovereignty government was elected in Quebec in September. What is surprising about a government proposing a plan to achieve its option? The opposite would have been surprising.

As I recall, Meech and Charlottetown were federalist projects. We were not scandalized, we knew that federalists would propose a federalist option to us. It seems logical to me, although the Charlottetown proposal was not all that clear. When the referendum campaign was launched, we did not have the text. There is no need to recall the incredible series of events before we could obtain those texts; in fact sovereignists themselves had to publish the Charlottetown Accord. This time, the texts are there and clear.

You will recall that sovereignists took part in the debate, first on Meech from 1987 to 1990 and then on Charlottetown in 1992. This was not our option but we played our part as elected representatives. Every day in the House, we present our views on bills we are against even though we know from the start that they will be passed. The government has the majority. We are in the minority, the Official Opposition, but nevertheless we express our disagreement, we try to convince people that the bills do not meet the needs of the population as a whole. This is the essence of democracy. We do not take part in debates only when we agree or when we are sure to win. Otherwise democracy would have no meaning. The democratic way is to take part in a debate where the majority expresses its views and so does the minority who also has rights and must express its opinion.

They also tell us that there is no parity. But, Mr. Speaker, was there parity in Bélanger–Campeau? There was no parity in that commission, neither among elected representatives, who were mainly federalists because at that time there was a federalist government in Quebec, nor among non–elected people. You only have to look at the results of the votes that took place at the Bélanger–Campeau Commission. The federalists won. Of course, we already knew it would be the case but we used it as an educational campaign. We were not afraid of expressing our ideas.

Was there parity in Meech and Charlottetown? And let us not forget all those committees on Charlottetown: the Spicer Commission, the Beaudoin–Edwards and Beaudoin–Dobbie committees, where there was no parity. Members of the Bloc were not even invited.

An hon. member: You did not even exist back then.

Mr. Duceppe: Yes, we existed. We were here at the time of Spicer, Beaudoin and company, but we were not invited.

At the Charlottetown conference held after Meech, after having stated that he would never be one of eleven, Mr. Bourassa found himself one of seventeen. Is this the idea of federalist parity, one of eleven, or one of seventeen? How high will it go? Is this the parity we are being proposed?

Sovereignists nevertheless took part in the debate on the Meech Lake Accord. In Quebec, from 1987 to 1990, the PQ, which was the Official Opposition, took part in this debate, in the Bélanger–Campeau Commission and in the Charlottetown exercise, always as a minority. Were we, from the Bloc Quebecois, given parity in this House? We were eight out of 295 to oppose Charlottetown. We were sitting right by the curtain, in what they called "the lobotomy corner". It would seem that only those without any brains could see the truth. We debated Charlottetown. We took part in the debate. There was only one option in this: renewed federalism, which is now called flexible federalism. Why not federalism in search of itself while we are at it?

This is the option they give us. But we had another point of view. Need I recall the results of Charlottetown? We were eight out of 295, but it was rejected in Quebec and rejected in Canada, which proves that democracy must prevail over parity. The majority rules, and commissions follow this pattern. Beyond the numbers there are the ideas, and they succeed if they are good. But then, you need to have ideas.

• (1030)

The bill is entirely consistent with the law governing referenda in Quebec. Those who argue the contrary should at least be honest enough and serious enough to read that law on referenda

in Quebec before spreading falsehoods. It would improve the level of the debate. Need we restate that the legislation will not come into force before it is approved in a referendum?

Finally, Quebecers will be called upon to debate the bill before it is put to a vote in the National Assembly. Elected representatives, before they vote, will have to take into consideration the opinion of the people. Now, I am addressing the Reform Party which has been talking about direct democracy for a year in this House. Granted, what the Government of Quebec is doing is not direct democracy, but it is a very interesting consultation process. Yes, we are going to consult Quebecers in all regions before studying the bill in committee, in Quebec City. The bill cannot come into force before a referendum, and even then, another year will pass before sovereignty really takes effect.

It appears to me that this process is very close to democracy. I must say that I do not understand why anyone would be opposed to this process, unless they are afraid to present their ideas to the people.

The process is clear, open and democratic. The decision belongs to Quebecers and nobody else. This is called the right to self–determination, in this case the self–determination of the Quebec nation, a right, need we remind you, recognized by the Conservative Party at its Toronto convention in August 1991, a right recognized by the New Democratic Party as early as the 1960s, and a right recognized especially by the present Prime Minister, who mentioned it in his autobiography. By participating in the 1980 referendum, he recognized in practice the right of Quebecers to decide their own future.

In this regard, I commend the hon. members for Bonaventure—Îles–de–la–Madeleine and for Mount Royal for acknowledging yesterday that the decision would have to be made in Quebec by Quebecers. It is much to their credit that they set themselves apart from the rest of the Liberal caucus.

Indeed, the decision must be made by Quebecers, in Quebec, under the direction of the National Assembly and in accordance with the law governing referenda in Quebec. On this point, the PQ and the QLP, Jacques Parizeau and Daniel Johnson, agree totally. The process is clear.

Why then turn it down? Because federalists have no other option to offer. They cannot even agree among themselves. The former Premier of Quebec, now Leader of the Opposition, Daniel Johnson tells us that status quo is unacceptable. "I will never accept the 1982 Constitution". However, the present Prime Minister considers this Constitution the high point of his career. These people will find themselves under the same umbrella. That is the rub.

As far as the so–called third option presented by the member for Sherbrooke is concerned, well, he would rather not talk about it. That is the rub. They refuse to have a debate. They refuse to crisscross Quebec and have a debate with the citizens of each region. That is the rub.

What is the government proposing? To understand what the Government of Quebec is proposing, we must go back to the Charlottetown Accord. At that time, every party in this House, the Conservatives, the NDP, the Liberals, the Bloc Quebecois, as well as the PQ and the Liberals in Quebec agreed on one thing: the political structures in Canada and Quebec are inadequate in view of today's economic challenges. Everybody agreed on that point. That is the reason why Charlottetown came about. Charlottetown was voted down for the reasons we know: Quebec thought it was not enough, the rest of Canada believed it was too much.

• (1035)

But the structures have not changed since. Canada is no more prepared than Quebec to face the challenges of the modern economy, no more prepared than they both were in 1992. Nothing has changed, yet Canada has to change and so does Quebec.

That is what Quebec's proposal is about. We suggest having two sovereign countries, sharing a common economic space, as all modern countries do, with full participation in international organizations. This brings to mind GATT and NAFTA. On this subject, let me remind you that had it not been for Quebec, there would have been no free trade agreement, because the rest of Canada was against free trade with the United States. It is Quebec that, to a certain extent, imposed free trade on Canada as a whole in 1988.

This proposal shows respect for Quebec's English–speaking minorities, much more respect than French–speaking minorities are shown across Canada. Before coming and telling us about the dangers of sovereignty, Bob Rae should look after having washrooms installed in Kingston high schools. That is the primary duty of any good government. This proposal recognizes the rights of aboriginal nations. Quebec was the first province to do so, as early as 1985, and this draft bill goes much further than any existing Canadian legislation, but we will come back to this later.

Some say there will be no common economic space. Does this mean that there is no room for negotiation? That is what Bob Rae told us, and he is facing an election in the near future. Did he think about the 100,000 jobs in Ontario that depend on the Quebec market? Did he think about the $1.8 billion surplus Ontario businesses make in their commercial transactions with Quebec? Is he going to tell them: "Forget about it, my friends. It is gone, a dead loss"? I doubt it. Did he think about the Auto Pact? Will Bob Rae go to Oshawa during his election campaign

and tell the auto workers: "There will be no common economic space. We will not negotiate with Quebec. We will no longer be selling them cars. Let them make their own or buy from Michigan. My friends, we are choosing unemployment out of patriotism"?

Bob Rae can go ahead and tell them that. We will see what comes of it. He will probably not be around to discuss the issue. But we will see where the debate will lead. I am told that he will not be there. I agree with you for once. At any rate, this is where we stand. We want a dispassionate debate and we urge the government to support this process. The hon. members of this House who are from Quebec in particular are invited to express their views, put forward objections, demonstrate in what way our option is dangerous. That is what they have to do: to discuss the implications.

The Government of Quebec and the sovereignists have never been afraid to discuss. Never, ever have they been afraid of the democratic process. And I will close on this. I hope, with respect to federalism, both in Quebec City and in Ottawa, that this government will now show us that it can and will take on the challenge of democracy.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I listened to the hon. member and I think he said that one reason he is for separation is that the Meech Lake and Charlottetown accords failed. I wonder what the position of the Parti Quebecois and the PQ government was on these two accords.

Mr. Duceppe: Mr. Speaker, I recalled Meech and Charlottetown because they are actual facts which show that this system cannot be reformed. The PQ government was against Meech and against Charlottetown, clearly. It said so and we attended many committee hearings and took part in these debates both here and in Quebec City to explain our stand. We were not afraid of it. Besides, we were right and we won. But we were against those accords. It shows one thing, that we won against all the federalists put together. I think that the member of the Reform Party voted with the eight members of the Bloc Quebecois then, so maybe we were nine.

• (1040)

There were 286 members convinced and captivated by the Charlottetown Accord. We saw the results. This shows the impotence, not because people cannot change things but because these things cannot be changed. There are two realities. Quebec is not better or worse than the rest of Canada, it is simply different, just as Canada is different from the United States. If I asked all hon. members whether Canada should be a sovereign country separate from the United States, they would say yes. Does this mean that they have contempt for the United States because Canada wants to stay sovereign? No, certainly not.

Neither do we have contempt for Canada. We want to become sovereign for ourselves and have better ties with our Canadian and American friends and all countries in the world.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I am sure that my reply will come as no surprise to the opposition member. It is no.

Some hon. members: Hear, hear.

Mr. Massé: And let me immediately assure the member that nothing will convince my government to recognize the legitimacy of the process initiated by the PQ government.

The member will agree that many of us have serious problems with the process announced by the PQ government. Let me begin with the leader of the Official Opposition in Quebec City, who aptly labelled it a "misuse of democracy". And for good reason. The Quebec government is asking its citizens to help draw up a constitution for a separate Quebec before they have even had their say on the issue of separation.

I understand why the Premier of Quebec is taking this route. If he asked his fellow citizens the real question, in fact the only legitimate question, "do you want to separate from Canada, yes or no?"the answer would be no. From where he sits, the best approach is to use cunning, and if in the process he flouts democratic principles, so what.

As stated by the member from Sherbrooke, the Premier of Quebec knows his French well. According to the *Petit Robert*, being cunning means acting slyly to deceive someone for the purpose of doing him harm.

The Quebec media have been no kinder in their assessment of the PQ strategy. An editorial in *Le Soleil* was headlined "The anesthetization of a people" and spoke of the "misuse of our parliamentary institutions and the misappropriation of public funds for partisan purposes".

According to *La Presse*, "what is unacceptable is that this bill will be passed by the National Assembly before being put to the people via a referendum. Things are being done in the wrong order". The journalist concluded that we are witnessing a "mockery of democracy".

In today's *Le Journal de Montréal*, Michel Auger pointed out: "Although the majority of Quebecers still wonder why they should become independent, their government says the only thing left to decide is how it should be done". He went on to say: "In fact, it is quite clear that according to their terms of reference, these commissions would be able to consider one option only: the one chosen by the government".

And in concluding: "Before asking Quebecers to draft the declaration of sovereignty, the government should consider those who have yet to be convinced of the need for sovereignty".

And again in today's *Le Soleil*, Gilbert Lavoie commented: "Although the strategy may seem clever to those who devised it, its weakness is that it underestimates the political savvy of Quebecers which has been borne out on several occasions". He went on to say: "The government's initiative will disappoint Quebecers, because the Pequistes have preferred strategy over substance". And in concluding: "The trap is so obvious that one would have to be very myopic indeed not to see it".

• (1045)

Even in *Le Devoir*, under the headline "The stratagem is too obvious", Pierre O'Neill started his article by pointing out that: "Through academic eyes, the consultation process started by Premier Parizeau is viewed with some scepticism. Political scientist Vincent Lemieux feels that the Pequiste initiative lacks legitimacy. 'I think the stratagem is too obvious', commented the Laval University professor yesterday, the man to whom Jean–François Lisée, political adviser to the Premier, referred in 1993 as the Galileo of Quebec politics".

In Wednesday's *La Presse*, Alain Dubuc comments: "This pretence of democracy is disturbing. It excludes, for all practical purposes, those who are opposed to sovereignty and turns these commissions into clubs for friends of the PQ, which may attract the attention of the media for a while, at public expense, and maintain temporary the illusion of almost unanimous support for the yes side. This whole strategy, which the Premier himself referred to as cunning, has its own limitations. Manipulation can backfire. Referendums, both here and elsewhere, have shown that if there is anything citizens cannot abide, it is manipulation by politicians".

Michel David, also in Wednesday's *Le Soleil*, pointed out: "When Mr. Parizeau used the word stratagem two weeks ago, Daniel Johnson immediately concluded it was a scam to fool Quebecers". Mr. David went on to say: "In fact, they pulled a fast one: members of the Premier's staff confided yesterday that the text of the draft bill on sovereignty had been ready since last March. Within the PQ, members had been polled on each section. Each individual section was supported by the majority. In other words, Mr. Parizeau knew well before the election campaign what question he would ask, once he was elected, but he said nothing to the voters. Why, if the case is as clear as he says it is? What about the relationship of trust?"

I could go on for several minutes, quoting people from coast to coast. No one is being taken in by the Quebec Premier's chicanery. Not the media, not the other provincial premiers, not those of us here in Ottawa, not the Quebec Liberal Party and, unfortunately, to the great dismay of our friends opposite, not the citizens of Quebec.

Mr. Serré: Quebecers are not crazy.

Some hon. members: Hear, hear!

Mr. Massé: But it would be more useful to ask ourselves why Quebec's separatist government is so intent on using trickery. The answer is simple. If it played fair and square, if it "put everything on the table", as the Quebec premier has said time and time again, if it went to the people and asked them to decide once and for all, I am convinced that the great majority of Quebecers would opt for Canada.

And this is understandable. Canada is one of the greatest, if not the greatest, countries in the world. Do not take my word for it, just ask the United Nations. I know that certain words are taboo for separatists. Federalism is one. But sooner or later, the connection will have to be made between this political structure and the quality of life we enjoy. For is it pure chance that the four oldest federations in the world—the United States, Switzerland, Australia and Canada—are also among the world's richest countries?

Mr. Duceppe: And the USSR?

Mrs. Ringuette–Maltais: Are we taking about democracy or not?

Mr. Massé: I think, rather, that federalism is better suited than almost any other political structure to the modern challenges facing societies today.

• (1050)

We all know that the dual phenomenon of market globalization and the economic revolution shaking the world's industrialized countries requires of each country that it develop to the maximum its potential and its wealth—the things that make it distinct—but also that it be able to act effectively on the international scene, and that is what Canada has done.

We rank seventh among the world's industrialized countries and we enjoy the highest standard of living. Over the past 30 years, we have had the second highest economic growth rate among G–7 countries, behind Japan; among OECD countries, we rank seventh.

Over the past 30 years, we have had the highest rate of job creation among OECD countries and the highest increase in employment per capita. Canada's continued exceptional performance is related to the maintenance and increase of the federal system's effective operations. Federalism permits a central government that efficiently manages activities of international scope—trade, stock markets, environmental protection, international communications.

Not only does this sound international management benefit the members of Confederation, but, within the federal system, economies of scale can also be achieved in implementing

national programs and infrastructure that the constituent members alone could not offer their citizens. Just think of the postal service and the armed forces.

I know that my colleagues on the other side of the house do not share this point of view. For them, Confederation is a dead end, and they want out. But the people of Canada and Quebec instinctively know that, in the new world order, influence on the international scene is important. This influence is directly linked to whether or not you play a role in international forums. You have to be where decisions are made and standards are set. Canada is not a superpower, but it is the world's eighth largest exporter and importer. We are thus doubly entitled to membership in the Group of Seven. No province or regional group could aspire to membership in this forum. I repeat, Mr. Speaker: None. But together, as part of Confederation, they are all members.

Nothing will be said about these benefits of federalism in the consultation that the Government of Quebec wishes to undertake with its friends. Likewise, nothing will be said about the fact that, within Canada, Quebec is part of a Pacific Rim country.

To quote the Prime Minister of Canada, "membership has its privileges". When you consider the dazzling growth of Asian economies, which are very appropriately called the dragons of the East, it is understandable that the separatists do not dare to mention this. The only way they could do so would be to ask Quebecers if they want to give up another benefit of Canada.

It is true that the separatist ministers have already waived these benefits in their surrealistic description of Canada. The Quebec Minister for Restructuring has thus neglected—intentionally or unintentionally—to include the equalization payments that Canada makes to Quebec: $3.7 billion in 1993 and about $3.92 billion in 1994–95.

Quebecers' attachment to Canada is not just a matter of benefits and dollars and cents. The people of Quebec built this country. They shaped it and continue to do so. This country is French to the depths of its heart and soul. From sea to sea, French Canadians know that they can deal with their federal government in their own language.

• (1055)

Bilingualism is enshrined in this country's very Constitution, which can be amended only with the consent of all legislative assemblies. This, in effect, gives Quebec's National Assembly a veto. In the same way, the Canadian Constitution guarantees Quebec three of the nine judgeships on the Supreme Court. No other province has such guarantees. When you consider the increasing impact of this court's decisions, you realize that the soul of Quebec will continue to influence and define Canada as a country for a long time to come.

I confess that listening to the current Premier of Quebec makes me smile sometimes. Not often, but sometimes.

I could not help noting how he went about demonstrating Quebec's know–how in his speeches to the Chamber of Commerce of Montreal and the Canadian Club in Toronto, and even his address this week. No one has ever doubted this know–how. But when I hear him mention Céline Dion, Denys Arcand, the Cirque du Soleil, Bombardier, Lavalin and a host of others, I cannot help telling myself that all of them have succeeded within Canada, some of them with direct or indirect assistance from the federal government.

Some hon. members: Hear, hear.

Mr. Massé: Mr. Speaker, the ancestors of the people of Quebec were among the first Europeans to set foot on Canadian soil. They built this country with their daring, ingenuity and courage, and not even a premier will hoodwink them into throwing in the towel and pulling out of Canada. The men and women of Quebec received this country as their heritage and want to pass it on to their children.

The motion before the House is contrary to Canada's historical roots. It would have us, the people of Quebec, forget our origins and our ancestors, and disregard 127 years of shared history which have resulted in raising us to the rank of one of the best countries in the world.

I will thus vote against this motion out of respect for history, and out of duty to my children and to democracy.

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, I have some comments to make in response to the speech by the hon. member opposite.

He harshly criticized the Quebec government's draft bill, which he has a right to do. However, his very federalist and quite ordinary speech, except for the first part in which he used the word "astuce" in French, only referred to the status quo, something which we have been hearing here in this House for some 20 years and which Quebecers are sick and tired of listening to.

We looked up the definition of the word "astuce", because it may be the only interesting point that you raised at the beginning of your speech. Forgive me, Mr. Speaker, I should address my comments to you.

The word "astuce"in old French means this:

> Ability to deceive others in order to harm them or get something out of them.

I agree. Rather than the old French definition, the hon. member opposite should use the modern–day definition, which is "ingeniousness and inventiveness".

Some hon. members: Hear, hear.

Mr. Deshaies: Mr. Speaker, the opposite of astute is crude and unintelligent.

I would like us to use current terminology to describe Quebecers as ingenious and inventive.

• (1100)

As the hon. member opposite pointed out, Quebecers have shown inventiveness through companies like Bombardier, artists like Céline Dion, etc. Yes, Quebec wants to chart its future, and Quebec's draft bill is a way to do this.

To return to the old definition of "astuce", the federal government may not be in a position to teach Quebec anything. In 1982, when the Constitution was patriated unilaterally, the federal government deceived René Lévesque during the night of the long knives. Was it a federalist scam? We should really talk about it.

One fact cannot be denied. Quebec citizens sent a 54–member majority to the House of Commons, and they knew about our allegiance. My hon. colleague would surely like to tell me that all those who voted for the Bloc Quebecois may not have been sovereignists, sovereignists and separatists.

Mr. Serré: Separatists.

Mr. Deshaies: Sovereignists or separatists, whatever. If you want to use the old terminology, that is your choice.

Sorry, Mr. Speaker, I am getting carried away.

The people who voted for the Bloc Quebecòis were also fed up with the current federal system, because of mismanagement by the central government. According to a poll, 66 per cent of Quebecers reject the status quo or the current federal system. The hon. members opposite might reply that federal Liberals offer flexible federalism. Allow me to question this flexibility, when Quebec and several other provinces are still waiting for this flexibility, promised in every election, after 10 years under Tory governments and the 10 years before that under the Trudeau government and others.

What is important to me and to all the people in the riding of Abitibi, who ask me when they will receive information on the sovereignty plan, is that the draft bill is a way to receive this information. People want to know more about the grounds on which their decision will be based.

I have a question for the hon. member opposite: What about the need to address Quebecers' needs, to give them information, and not just federalist rhetoric? Why should they stay in the federalist system, why?

Mr. Massé: Mr. Speaker, first of all, the hon. member opposite questions the use of words. I thought that I had read enough editorials written by contemporary French Canadians from Quebec. They are experts in using the pen and the dictionary. They were not caught up in words. They saw the ruse behind the lack of democracy and called it secretive and a show of democracy. Public opinion in Quebec is clearly that Mr. Parizeau's proposal is not democratic; whether it is called sneaky, a sham or secretive, it is still unacceptable.

Second, speaking of federalism and flexible federalism, our country has evolved over 127 years with relatively few changes to the Constitution, but with tremendous changes affecting the jurisdiction of the provinces and the federal government and with continuous adjustments to a changing economic, political and social environment. We can continue to evolve within the present Constitution and we do continue to evolve, making very considerable changes that affect jurisdiction, the way the country is governed and our social programs, provided that we know how to act as partners.

That is true federalism. History shows us that it has worked and provided solutions and given Canada the highest standard of living in the world.

• (1105)

This did not happen by accident or despite the federal system, on the contrary. The reason Canada, including Quebec, is one of the best countries in the world, maybe the best, is its federal structure, which year after year has proven to be good for Canadians, good for Quebecers and adaptable to change. It will help us adjust to the economic, political and social changes now going on in the outside world.

Third, although there are 54 Bloc Quebecois members in this House, let us not forget that we, Liberals, form a government which is perceived across the country as an efficient and honest government. This is evidenced by the fact that, for the last three months, public support in the polls has been maintained at an all–time high of 63 per cent for any government in the 54 years that such polls have been conducted.

In Quebec, while our leader enjoyed relatively low support, somewhere around 20 per cent, during the election campaign, that support has climbed up to 47 per cent in recent weeks, the same as for Lucien Bouchard. This means that Quebecers themselves have a favourable opinion of the way the federal government is working on their behalf.

As for mandate, it is clear that Mr. Parizeau, and he said so himself dozens of times during the election campaign, was not elected with a mandate to achieve sovereignty: He was elected to provide a new government and, really, to create jobs, just like us. The fact that Mr. Parizeau's party received 44 per cent of the popular vote is tantamount to a rejection of sovereignty. It is totally undemocratic to table a draft bill which takes for granted that sovereignty has already been accepted as a goal by Quebecers, since the facts show that the contrary is true.

By introducing its draft bill, the Parizeau government is trying to fool Quebecers; it is using a ploy which is both a scam and an undemocratic measure. This is a view shared by us, by

our government and by the majority of Quebecers and Quebec editorialists. I am convinced that when the time comes for Quebecers to choose between separation and flexible federalism, they will opt for the latter.

In conclusion, the motion tabled by the opposition clearly does not respect the democratic spirit of Canadians, including Quebecers, and it must be rejected.

The Speaker: There are approximately 60 seconds left in the debate, or 30 seconds for each side. The hon. member for Chambly.

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, can the hon. minister explain in what respect the Charlottetown process was more democratic that the one proposed by the Quebec government? In the Charlottetown process, I remember that we were even asked to vote on unwritten agreements, and, in the third round of the 1992 referendum, when the government realized that the house was on fire, they had to hurriedly write up the infamous Charlottetown accord, where they asked Canadians, and Quebecers in particular, to vote on something which did not even exist in concrete terms.

We kept hearing: "Trust us, because we know, we feel, and we tell you what is right", but nothing was written up. In what respect was that process more democratic than the present one? I would appreciate an answer from the minister.

• (1110)

Mr. Massé: Mr. Speaker, the motion before the House attempts to determine, rather it states the Bloc Quebecois's position on democracry, based on what Mr. Parizeau did. In fact, what he did is clearly undemocratic because his bill takes for granted an answer to a question which was never asked, and because this regional commission procedure is really a joke, as it recreates fifteen yes committees. That is the unanimous view of Quebecers and that is clearly why these are undemocratic proposals.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I rise to address the Bloc motion that the House enjoin the government to recognize the legitimacy of the democratic process initiated by the Government of Quebec in order to allow Quebecers to chart their own political and constitutional future.

The motion raises two essential questions which I would like to deal with one at a time. The first question is: What is the so–called democratic process initiated by the Quebec government? According to the draft bill tabled by Mr. Parizeau in the Quebec assembly, the process consists of the following.

First, the publication of a draft bill, a bill which is clearly illegal in terms of the Canadian Constitution, followed by additional steps designed to legitimate this illegal act;

Second, a period of information and participation for the purposes of approving this illegal bill and drafting a declaration of sovereignty which will form part of its preamble;

Third, discussion of this illegal bill respecting the sovereignty of Quebec and its passage by the National Assembly; and

Fourth, approval of this illegal act by the population in a referendum.

In other words, what we have here is a process designed to attempt to give democratic legitimacy to an illegal act of the Quebec assembly. So far we note that the federal government has been extremely reluctant to point out the illegality of what is proposed. I was hoping the minister might do that today. I am convinced that if some other province such as the province of Alberta were today to table an act in its legislature completely out of its own jurisdiction such as, say, alternative gun control legislation and attempted to legitimize it by a process such as this, it would not take the federal government 30 seconds to make clear the illegality and unacceptability of what was being proposed.

I suggest that even within Quebec if a portion of that community, say the Mohawk Nation through its elected council, were to table such a bill and attempt to legitimize it by such a process, the Quebec government would be the first to declare such an act and such a process illegal and illegitimate.

The second question is the bigger question: What are the generally accepted tests of democratic legitimacy and how does the so–called democratic process initiated by the Quebec government stand up to those tests? The first test is the rule of law.

In free countries democratic legitimacy refers to the general acceptability of a process in the political community. A process is considered legitimate if it is supported by the constitution of a political community, in other words whether or not it conforms to the rule of law. In Canada this means that all proceedings relating to constitutional change, even an attempted secession, must take place within the rules established by the Constitution of Canada. That means that constitutional change of any kind should take place by the means of a formal amendment to the Canadian Constitution. Acts which are clearly unconstitutional are also clearly illegitimate.

In this case, virtually every clause of the act respecting the sovereignty of Quebec is clearly unconstitutional, notably the declaration of sovereignty in section 1, the undefined rules of constitution making in section 3, the territorial provisions in section 4, the citizenship rules in section 5, the treaty rights assumed in section 7, the alliance rights assumed in section 8, the assumption of the ability to overrule federal laws by the

provincial assembly claimed in section 10, the removal of the authority of the Supreme Court of Canada in section 12, and the assumption of the right to make appointments to federal bodies in section 13.

Each of these sections is therefore illegitimate, as is the act as a whole.

• (1115)

If the Government of Quebec wishes to proceed with constitutional changes, including one as drastic as secession, there is a way to do so. That is through a formal amendment to the Canadian Constitution. The Government of Quebec has not chosen that route. Both the route it has chosen and the process it employs do not meet the test of the rule of law.

The second test is direct questions on real options. To be legitimate direct democracy must ask direct questions. The question posed in the act respecting the sovereignty of Quebec is indirect and misleading. It does not ask the straight simple question: Should Quebec secede from Canada, yes or no? Instead it asks: Are you in favour of the act passed by the National Assembly declaring the sovereignty of Quebec? The key provisions of the act however do not go into force until after the referendum is approved.

Section 16 of the act states that section 2, to negotiate an economic association with Canada, section 3, to write a constitution for Quebec, and section 15, to negotiate a division of the assets and debts of Canada, do not go into effect until after it is too late for the voters to change their minds. This is clearly illegitimate from the standpoint of direct democracy. It is even illegitimate compared to Levesque's 1980 question which promised to provide a completed package which would then be submitted to voters for their further approval at a second referendum.

The draft act itself which is at the heart of the process is also filled with misconceptions and misrepresentations. There is the misconception that an economic association with Canada will automatically be attained and agreed to by Canada. There is the assumption that Quebec will retain the boundaries it has within the Canadian Confederation at the time the act comes into force. There is the assumption of dual citizenship which is entirely beyond the capacity of even a sovereign Quebec to grant and the assumption that Quebec shall assume the obligations and enjoy the rights arising out of treaties to which Canada is a part. All of these are misconceptions and misrepresentations which cannot be legitimately promised by any Quebec government, sovereign or not.

The draft bill is a hollow shell with the content to be provided only after the shell has been approved by the public. To use a more down to earth metaphor, the draft bill is a blank cheque which the Government of Quebec seeks to induce the Quebec electorate to sign.

For a process that claims to be democratic, to be legitimate it must also provide opportunity for all the options which might potentially gain majority support, including those that are repugnant to the proponents and managers of the process to be considered. Yet clearly all options for reform within federalism are precluded under the act respecting the sovereignty of Quebec. Only within the constitution of a sovereign Quebec will reforms be considered so everybody, including those who oppose secession, are forced to participate in the process of writing a declaration of independence even if they are not in favour of independence.

The referendum process itself, including the Quebec referendum law, does not provide for adequate consideration of all the options. In particular Quebecers will only be presented with a choice between status quo federalism and sovereignty. The principal alternative option, namely a complete rebuilding of the federal system from the bottom up, is not assured even a fair hearing let alone consideration.

The third test is of democratic legitimacy, inclusiveness and non–coercion. Democracy must be inclusive allowing all who are affected to vote, but the interests of the people in the rest of Canada in whether or not their country will be torn asunder are not even acknowledged. What is legitimate about declaring arbitrarily that democratic self–determination is the exclusive right of the people of Quebec constituted as a single arbitrarily defined collectivity?

The process defined in the draft bill in no way shape or form acknowledges that the people of Canada also have a right to choose their national future. Nor does it deal adequately with the democratic rights of the people of any region of Quebec, many of whom might choose to secede from Quebec and remain a part of Canada.

In addition to all this, the process proposed by the draft bill is essentially coercive. As I said, all options for reform within federalism are precluded under the act respecting the sovereignty of Quebec. Only within the constitution of a sovereign Quebec will reforms be considered.

• (1120)

Even groups that have no interest in broader constitutional questions will be forced to participate in the process of developing an act of secession for fear that if they do not their interests will be left out of the Quebec constitution. As each new group joins in, all those who are left out will feel increasing pressure to join in, thus driving the process toward the inevitable conclusion of separation. This is not democratic consent at all but forced consent which is a charade of democracy.

All the polls to date indicate that a majority of Quebecers do not want to secede from Canada if given a clear choice on that question. The separatist Government of Quebec obviously does not accept that opinion. It has put together a process designed not to give fair and legitimate recognition to majority opinion but to create majority support for a minority opinion.

In conclusion, the bottom line is that the process as proposed by the Quebec government and supported by the Bloc does not meet the great tests of democratic legitimacy. It is not in accordance with the rule of law. It does not ask direct questions on real options. It is not inclusive and it is coercive.

Obviously therefore the process should be rejected by all democrats in Canada whether in Quebec or outside it and regardless of their constitutional opinions and preferences. Obviously the House should defeat the motion.

The proposed bill and processes are also extremely revealing with respect to the character of the current Government of Quebec. All democratic governments, including the Government of Quebec, should be held accountable to respect the rule of law and the basic criteria of free democratic processes. If a government does not respect those processes and uses illegitimate processes to induce its own population to support illegal acts, how can any member of that society be assured that such a government will not do the same thing again at some future date, disregarding both the rule of law again and using illegitimate processes again, this time to manipulate its own people against their will?

The federal government as the government with responsibility for the peace, order, good government and economic well–being of all Canadians has a responsibility to make clear the illegality and illegitimacy of what the Government of Quebec proposes. The federal government has a responsibility as a bare minimum to refute the misconceptions concerning economic association, sovereignty association and dual citizenship which are at the heart of the Quebec government's bill and process. We assume that the federal government will be discharging these responsibilities in the course of this debate and in the days ahead.

The federal cabinet ministers make frequent reference to wanting to avoid playing Parizeau's game, but Parizeau's game is to take initiatives, including illegal initiatives, and assume that the federal government will do nothing but fume and sputter. It is time for the federal government to stop playing Parizeau's game and begin discharging its responsibilities for preserving the peace, order, good government and economic well–being of Canada and all Canadians.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Madam Speaker, first of all, I want to emphasize the following point: federalists seem to have been caught unawares and to be panic–stricken. They use everything, every false statement they can think of, to try to show that the process initiated by Quebecers does not meet their standards.

The leader of the Reform Party started by saying that he thinks that the Quebec government's draft bill is illegal. I am sure that the Premier of Quebec had everything checked out before initiating this process. In fact, we are confident that the bill is in accordance with Quebec's Referendum Act.

Second, federalists have been talking all morning about democracy. This has me very puzzled. Federalists are now trying everything to convince Quebecers, especially federalists, not to take part in this process. If democracy is being abused, it is by the federalists who are trying very hard to ensure that Quebec federalists do not take part in this democratic experience.

• (1125)

If we were dealing with an extremely complex draft bill, comprised of hundreds of clauses that the average citizen would have a hard time understanding, they might have good reasons to be concerned. But the draft bill is made up of just 16 very straightforward clauses that only set out the definition of sovereignty that is generally accepted in Quebec. So, this definition does not take anyone by surprise, except the federalists who still think that they can convince Quebecers by making empty speeches on the beauty and the sheer size of Canada.

For the last 50 years, Quebecers have been trying slowly but surely to show that they do not feel at ease within the Canadian federation. They have been expressing their feelings in a very special and original way, by creating brand new political parties that can be found nowhere else but in Quebec. Here are a few of those parties: the Action libérale nationale, the Union nationale, the Bloc populaire, the Rassemblement pour l'indépendance nationale, the Rassemblement national, the Parti Quebecois and the Bloc Quebecois. Why have Quebecers felt, for the last 50 years, the need to have their own tools to promote Quebec's interests? Obviously because the big parties, the Liberals and the Conservatives, federalists by definition, have never been able to get in touch with the soul of Quebec. So do not talk to us about democracy!

Federalists also seem to have forgotten some important historical events. I would like to remind them that 14 countries were present at the Madrid Conference in 1880. In 1920, 47 countries were represented at the very first general assembly of the League of Nations. In 1945, representatives of 50 countries witnessed the signing of the Charter of the United Nations, in San Francisco. In 1990, there were 175 countries and it is estimated that in 5 or 10 years, the number of countries will reach 200. This goes to show that nations have understood that sovereignty helps to correct inequities. By becoming sovereign,

smaller nations reach the same level as bigger countries. This is essentially what Quebec wants.

In conclusion, I would like to put a question to the leader of the Reform Party: Does he think that the people of Quebec are a nation?

[*English*]

Mr. Manning: Madam Speaker, the short answer to the latter question is that I believe Quebecers are a distinct people. I do not believe that automatically conveys a right to establish an independent state by illegal means. I will answer some of the other points the member raised in the order he raised them.

We do not shy away from the legitimate use of the democratic process to settle the most profound questions, including the question of secession. We believe those processes should be in accordance with the rule of law, they should ask real questions about the real issue and they should present all the options.

The option we are most concerned about in Quebec that is not being considered, and maybe we are having difficulty communicating it to our Bloc friends, is that there is a legitimate third option. It is not the hon. member for Sherbrooke's third option.

All across the country there are people who want to rebuild federalism from the bottom up in a much more profound way. Meech Lake and Charlottetown were top down. That is what was wrong with them and that is why we rejected them.

All across the country there are people who want to rebuild the federal system from the bottom up. We believe that the process which has been suggested here and the process which has been followed in Quebec for the last 30 years have not given that option a legitimate opportunity for expression, nor does the process outlined in this act.

● (1130)

There are two more points arising from the member's comments. He suggested that sovereignty is a legitimate and principal means of dealing with inequality. I question him. Does the member actually believe that the way to deal, for example, with inequalities within Quebec is that if someone feels unequal the way to cope with that is to declare themselves sovereign and independent from the framework in which they feel the inequality?

That principle can be preached here in defence of Quebec's attempts to secede. I doubt very much whether any of the members would agree to it if it was put forward by someone in Quebec as an argument for addressing their inequality and seceding from Quebec.

My last point is on the question of legality. I would challenge the Bloc members to table in the House a legal opinion from any respected constitutional authority saying that the bill that has been tabled in the Quebec legislature is within the legislative competence of the province of Quebec.

[*Translation*]

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Madam Speaker, my comments are not necessarily for the Reform Party or the Liberal Party. My comments are aimed specifically at all Canadian federalists.

We are being accused of proposing an undemocratic process to Quebecers. Contrary to what we are used to on the Canadian political scene, this is an exciting project in democracy, since not only will Quebecers not have something forced on them by elected representatives in their ivory tower but they are all invited by Mr. Parizeau to take part in the process. And this is what democracy is all about.

So it is totally wrong to pretend that the process initiated by the Parti Quebecois is undemocratic. On the contrary, the proposed process could not be more democratic, since all Quebecers, federalists, liberals or conservatives or whatever will be able to get involved. This project is 100 per cent democratic, since all Quebecers will have their say.

I see that my time is running out. I will come back to this later today because I absolutely want to give further insights into the federal government's sharp dealings with Quebec in the last 40 years or so.

In response to my question, I would like the leader of the Reform Party to tell us what democracy is to him. Is it a decision made by a prime minister or is it a decision coming from the grass roots?

[*English*]

Mr. Manning: Madam Speaker, I thought I made myself clear as to what I consider democracy to be. The heart of it is the consent of the governed and democratic processes have to meet certain basic fundamental tests no matter where we talk about democracy in the world.

Those tests are as follows. They must conform to the rule of law. Second, they must ask real questions about the real issue, not indirect questions. Third, they must present all options and allow equal opportunity for all options. Fourth, the processes must result in getting the consent of the governed.

[*Translation*]

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Madam Speaker, before beginning my speech, I would like to advise you that from now on, members of the Official Opposition will make 10–minute speeches.

When I hear the big guns of federalism call undemocratic the process to consult the people announced by the Premier of Quebec, Jacques Parizeau, on December 6, when he presented the draft bill on Quebec sovereignty, I seriously worry about the

political maturity of the federal Liberals and the Official Opposition in the Quebec National Assembly.

• (1135)

I have the rather startling impression of being in front of a class of teenagers who refuse to grow up. Let me explain. Any psychologist can tell you that magical thinking is one characteristic of adolescence. A classical example is a teen–age girl who knows the facts of life but is convinced that she cannot become pregnant because that happens only to others. I am sure that all hon. members could put a face or a name to the young girl in my example. Everybody knows perfectly well that magical thinking cannot prevent the oldest reproductive technique in the world from working efficiently. The number of unwanted pregnancies among teenagers proves it beyond question.

No, Madam Speaker, magical thinking does not make it so, no matter what the Deputy Prime Minister and the premiers of Ontario and New Brunswick, all long–time allies of Quebec, may think. The announced process is highly democratic.

It is unreasonable to claim that the draft bill presented by Mr. Parizeau is unfounded, undemocratic or a fraud or that the Quebec government is trying to win the referendum by deceiving people, because those incisive comments and others like them will never be powerful enough filters to make something democratic, undemocratic.

The hon. member for Sherbrooke used *Le Petit Robert* to give us a definition of the word "astuce". Everybody was impressed by his "cleverness". Since he is an experienced and I might even say a clever politician, I thought I could do the same thing and look up the word "democracy" in the dictionary. Here is what I found:

> Political doctrine according to which sovereignty must belong to the people.

My world goes beyond the dictionary. Patrick Watson, a renowned journalist who was even chairman of the CBC, wrote: "Democracy consists of verbal exchanges. It favours discussion over force, deliberations over mood swings, good reasons over powerful weapons, consensus over conflict, peace over war, co–operation over competition".

It seems that supporters of the status quo or, if you prefer, supporters of "flexible" federalism, have chosen force, mood swings, powerful weapons, conflict, war and competition. What is sad for democracy is to see that democratically elected men and women have rejected discussion, deliberations, good reasons, consensus, peace and co–operation.

The draft bill on Quebec's sovereignty contains 17 clauses. Clause 10 stipulates that existing federal laws that apply in Quebec shall remain in force until amended or repealed by the National Assembly. Is it undemocratic to ask the approval of Quebecers to have, in a sovereign Quebec, laws that meet their needs?

Is it undemocratic to ask them if they are sick and tired of all these endless jurisdictional quarrels over health, education, income security programs, manpower training and social security? The process that the Government of Quebec has launched is very democratic. In the end, the people's sanction will replace the royal sanction. This process is certainly as democratic as the federal government's consultation process on social reform.

The objective pursued by this government of cutting social programs at the expense of the unemployed, welfare recipients, women and students in order to contain a huge deficit, is simply not acceptable to the people of Quebec. The debate proposed by the Quebec government will give them an opportunity to say so once again.

• (1140)

Instead of creating jobs, the federal government chooses to cut left and right. The federal government is unable to make the proper diagnosis; it does not deserve the confidence of the people of Quebec since it is unable to administer the appropriate medicine.

In the area of education, the federal government is innovating by proposing to reduce the federal contribution to post–secondary educational institutions, and by way of compensation it is encouraging our young people to go into debt. There is no question of giving Quebec full jurisdiction for occupational training despite the clearly established labour–management consensus on that. Since the federal government runs the unemployment insurance program, it makes the decisions on manpower training programs. Never mind the inefficiency, the red tape and the waste of taxpayers' money!

The proposed social security reform, especially as regards the Canada assistance plan and child tax benefits, is equally unacceptable for Quebec because it maintains, indeed even increases, federal encroachment on Quebec's areas of jurisdiction. Quebec will never accept being subject to national standards—not today, no more than yesterday and certainly not tomorrow.

Is it unreasonable to ask the people of Quebec whether they believe that the Quebec government is able to take on all the responsibilities in these areas of jurisdiction and to make its own laws in these areas?

It would be unreasonable and undemocratic not to listen to what the people of Quebec have to say on that subject. Clause 10 of the draft bill on Quebec sovereignty will give them an opportunity to express themselves democratically.

Clause 11 clarifies a particularly sensitive point. Many of us remember the horror stories told to our senior citizens by the federalist werewolves in 1980, that if they voted yes they would lose their pensions.

Today, nobody would buy these statements made in bad faith. Since bad faith is hard to eradicate, the government wisely saw fit to specify as follows: "Pensions and supplements payable to the elderly shall continue to be paid by the Government according to the same terms and conditions".

I am almost tempted to say that I would not be surprised if Quebecers considered that clause useless, because in 1994 fear is completely out of the picture. Democracy also means being free from fear.

Quebec is a distinct society, and for a long time democracy in Quebec has been just as healthy as it is in any other jurisdiction. Quebecers know it, and they are rightly proud of it.

I will conclude by quoting Patrick Watson: "Through referendums, citizens do much more than choose their representatives; they govern themselves. But, if the referendum process does not include a civic education program or public education meetings, rich and influential people will use it to manipulate voters".

The process outlined in the draft bill on Quebec sovereignty puts the issues on the table and lets all citizens discuss them. I regret that federalists in Quebec will not participate, but I am sure Quebecers will get a better understanding of what democracy means, because their sensible, thoughtful and enthusiastic participation will prevent "rich and influential people" from manipulating voters, because the process set out by the Quebec government will let them govern directly.

• (1145)

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Madam Speaker, I listened very carefully to the speeches made up to now. As far as I can see, there is not much consistency in the speeches made by members of the Bloc today.

Earlier this morning, we heard a member of the Bloc Quebecois inform us that it is because of Quebec that NAFTA was signed. However, we all know very well, and it is quite clear for me as a member from New Brunswick, that the government of Quebec has been reluctant in recent decades to liberalize trade between the Canadian provinces.

How can they say, on the one hand, that they support free trade with the United States and Mexico and, on the other hand, that they are extremely reluctant to liberalize interprovincial trade?

The member said earlier that Quebecers will have a clear and definite choice. In the process which has started, where is this clear and definite choice? There is none because the working paper presents only one option to Quebecers. Where is the overall plan Mr. Parizeau promised the people of Quebec? Where is this overall plan? Maybe we will keep the Canadian dollar. Maybe we will have Canadian passports. This plan is full of maybes. It is not with such proposals that Quebecers can make an enlightened choice. We cannot make an enlightened choice on the basis on uncertainties.

This is duplicity. I remember reading, and I read a lot, all the history books about Quebec when Quebecers stood up and opposed the dark age of Duplessis. I am also convinced that they will say no to the undemocratic dark age of Parizeau.

My question is as follows: Since the suggested process accepts only the separatist position, how will it inform the supporters of independence of the risks which will threaten them for generations? I am not asking this question and making these comments in a partisan way. I am making them because of the strong roots I have in Quebec and because I am concerned about the present and future well–being of Quebecers.

Mrs. Dalphond–Guiral: Madam Speaker, I wish to thank the government member for her comments. I must admit I did not understand when she said right out that Bloc members' statements were inconsistent.

I failed to understand because in fact there were two speeches and some comments. Obviously no one will support the undemocratic philosophy advocated by our political opponents. Why not admit that NAFTA came about largely because of all the efforts made by Quebecers? I am thinking here particularly about the present Quebec Minister of International Affairs, Bernard Landry, who insisted so much on the necessity of free trade for Canada and of course for Quebec.

• (1150)

In response to the question raised by my hon. colleague who is wondering how in God's name we will make Quebecers aware of all the incredible risks that lie ahead for them, I say this: The best way to inform Quebecers about these so–called risks—

The Acting Speaker (Mrs. Maheu): Order, please. I would ask the hon. member to be brief.

Mrs. Dalphond–Guiral: May I go on? Thank you, Madam Speaker.

How can Quebecers be informed about these so–called risks if people will not sit at a table and take part in the consultations which will be held by the provincial government? The debate is open.

Mr. Pierre Brien (Témiscamingue, BQ): Madam Speaker, today, as a member of the Bloc Quebecois and as a member of Parliament representing Quebec, I am proud to answer the call of the Premier of Quebec.

The Premier of Quebec has asked us to mobilize our resources, organize consultation meetings and prepare for the Quebec of the future. Today, I would like to focus on two specific points in order to deal with the questions that people are

asking, including the questions asked by the hon. member of the Liberal Party who spoke just now.

What does the draft bill have to say about currency and the apportionment of debt or, as it says in the bill, apportionment of property and debts? I will start with the first item: currency. What criteria will be applied to determine the currency to be used in a sovereign Quebec?

Sovereignists were part of the Bélanger–Campeau Commission, although it was organized by a party in power that, as we have seen throughout, was clearly of the federalist persuasion. The commission did a number of studies, and the two points I want to discuss with you, currency and apportionment of property and debts, were examined in–depth by the Bélanger–Campeau Commission, a commission that enjoyed considerable recognition and credibility in Quebec and was accepted by the entire population.

This commission listed the criteria to be considered, and I will mention the five principal criteria: economic interdependence, minimizing uncertainty, maintaining the same economic space, the stability of a dollar that is broader based, and trade with other countries that do not use the same currency. All these criteria lead us to conclude that it would be better for Quebec and Canada if we used Canadian currency in Quebec.

The hon. member who pointed out that the bill was not clear may wish to listen to section 6, which refers to currency. The draft bill says: "The legal currency of Quebec shall continue to be the Canadian dollar".

A large number of Quebec's exports go to Canada. Many businesses in Quebec and Ontario or elsewhere in Canada, in New Brunswick and the west, that export their products would be better off if we had the same dollar, which would simplify transactions and avoid the additional cost of using a different currency. This would prevent much of the uncertainty that would otherwise be caused by Canada's currency being more narrowly based and the use of a new currency in Quebec.

Therefore both parties would benefit from having the same currency. It would greatly facilitate negotiations on the sharing of assets and the debt if the debt were calculated in the same currency. Therefore a monetary union is clearly desirable.

However, the Quebec Premier said that he wishes to hear the opinion of Quebecers on that matter. Being from a border area I hope and I am convinced that people in my riding and region will express their views on the currency they wish to use in a sovereign Quebec. Many of them will certainly prefer to keep the Canadian currency.

I can see my federalist friends jotting things down and preparing to say: "What guarantee do you have that you will be able to keep the Canadian currency?" Nothing prevents Quebec from doing so. I can hardly imagine the Prime Minister asking the Bank of Canada to print on bank notes: "This note is legal tender everywhere in the world except in Quebec". How would that look? How would it be interpreted? How would he explain to businesses that from now on it will cost more to do business? Because for many people doing business in Quebec is profitable. They do not do it for charitable reasons but because it is profitable. How will he explain to Canadian businesses who export to Quebec that he is adding to their costs on a mere political whim?

Madam Speaker, it cannot go that way, good sense will prevail.

That would considerably alleviate uncertainty while facilitating agreements between Quebec and Canada in areas where they share common interests. Instead of looking for differences, we would be looking for common points.

If there is uncertainty, it is not about the decision that Quebecers will make. If there is any uncertainty, it is in the way Canadians will react to the answer Quebecers will give through a democratic process. The uncertainty lies in the response Canadians would give if Quebecers chose to become masters of their own destiny.

• (1155)

I also want to say a few words about how the assets and liabilities would be shared. I will not mention the legal aspects of the issue, which would clearly favour Quebec; things are very clear concerning assets, much less so concerning financial commitments to creditors. In any case, out of respect and concern for commitments made in the past, the draft bill states: "The Government may conclude, with the Government of Canada, any agreement relating to the apportionment of the property and debts of Canada, and to any matter susceptible of facilitating the application of this Act".

Out of respect for commitments made in the past, Quebec can and must agree with Canada on the apportionment of assets and liabilities. Many people mention the apportionment of the debt, but there are also properties on Quebec territory. These will become the property of the Quebec government. Quebec's share of the assets and debts will have to be established. Again in this case, the findings of Bélanger–Campeau will be used as a basis for negotiations, even as a very firm negotiating position since this is a serious study.

I remind you that we already pay for the national debt. Some people ask how we are going to pay for that debt, as if Quebecers did not already pay their share of that debt! Each year, we pay $30 billion in taxes to help finance programs and pay interest on the debt and the government continues to borrow on our behalf. Now, Quebec would only be responsible for a share of the debt and the interest that is still to be defined, which is normal. I will come back to this. But we already pay for that. People realize

this will not be an additional burden. On the contrary, Quebecers might have to pay less, as we will explain to them.

Using a method based on an evaluation of the assets found in Quebec—and there are various methods to calculate our share—the Bélanger–Campeau Commission came to the conclusion that our share of the debt was 18.5 per cent of the total.

Since our share of the Canadian economy, of the gross domestic product, is a little over 23 per cent, this means that our share of the debt would be even lower than before in relation to the GDP. This is an interesting factor for Quebecers. Moreover, Quebec would have total control over its fiscal policy. We would be able to invest in the more productive sectors, stop receiving welfare and focus on the more productive sectors. This is a very interesting aspect for Quebec's future.

In closing, Madam Speaker, I would like to remind you briefly of the events that led us to the decision the Premier of Quebec made today.

Let us look only at the last four years. On June 22, 1990, the Meech Lake Accord failed. On June 20, 1991, the Bélanger–Campeau Commission was established to examine the possibility and consequences of Quebec's sovereignty. On October 26, 1992, the Charlottetown Accord was rejected. On October 25, 1993, 54 sovereignists were elected to the Parliament of Canada. On September 12, 1994, 77 members of a sovereignist party were elected to form the government of Quebec. On December 7, the Premier of Quebec tabled a draft bill asking the people to define what would be in the preamble to Quebec's Constitution, to define their commitment to Quebec, to define the values they cherish right now and the values they want for the future. This draft bill asks the people to help in shaping the Quebec of tomorrow.

As a young Quebecer, I must tell you that participating in shaping of the Quebec of the future is the finest challenge that my generation has been issued, and it is with pride and dedication that the members of the Bloc Quebecois will accept this challenge. Our answer to the Premier of Quebec is: Bravo! At last we see the light at the end of the tunnel. We support your process and we will build the Quebec of tomorrow.

Mr. Bill Graham (Rosedale, Lib.): Madam Speaker, I am very pleased with what the Bloc member who just spoke said about economic integration in particular, because of what it means for the people of Quebec and Ontario.

• (1200)

I represent an Ontario riding. We Ontarians realize that our future and our economy are closely tied to Quebec. Quebec is our best market, our number one economic partner. So, it is only normal that the party opposite talk about the connection between Ontario and Quebec, about the close economic ties that will always exist between us.

The question is: how will we plan our future together? We see it as part of a federal system. You are considering keeping the Canadian dollar as legal currency. I ask you: what is the point of continuing to use the Canadian currency in an independent Quebec? If that is what you want, so be it. At present, in this House, you have a Prime Minister from Quebec and the Minister of Finance, also from Quebec, ensuring that you have some control over this currency. If tomorrow, from an Ontario point of view, you will have an independent Quebec, why are you planning to keep the Canadian currency? It may be a good idea, but then, it must made quite clear to the people of Quebec that the rest of Canada will insist on controlling its own currency, while Quebec, if an arrangement is negotiated, will hold only 25 per cent of the voting power under a possible arrangement on a common currency.

Today, you have some control over this currency. Tomorrow, you will only have an interest, with the rest of Canada, with the others, and yours will be a minority interest. So, when you say that what you do in Quebec will be determined democratically, bear in mind that whatever you do affects the rights and interests of other Canadians who, like me as an Ontarian, have respect for Quebecers and have this to say to them: "Yes to democracy. Yes, Quebecers have the right to decide their future democratically, as long as this is done with full knowledge of what is at stake".

Let us not lose sight of the facts amid this pile of hypotheses, hypotheses that are not at all correct and that you have selected. If you are really democratic, include us in the process, so that the people of Quebec can see, so that they have a chance to see whether these hypotheses are realistic or not. That is the problem with your process. That is why your process is not democratic.

I will conclude with a word on an entirely different matter, which nontheless is related to the democratic process. In Ontario, we have a strong French–speaking minority which has been campaigning for many years for its survival. Bear in mind also, in your democracy, when you make your choices, what will become of the French language in Ontario.

Mr. Brien: Madam Speaker, I will respond to some of the points raised by the hon. member, whom I wish to thank because he seems to be interested in participating in the consultations and to have a constructive point of view. I urge him to participate in the consultations. He should put pressure on the members of his party and express his fears about the currency so that we can arrive at an even wiser decision.

It would be interesting if he got involved in a great democratic process instead of boycotting it. Just a short word on the French–speaking minority in Ontario. I hope that, as an Ontario

resident, he will continue to press his provincial government to treat its francophone minority the same way we will treat the anglophone minority in Quebec.

However, he said something that was inaccurate. Although the Prime Minister and the Minister of Finance are from Quebec, they do not control monetary policy, as we have seen in the past. Remember when Toronto faced inflation and an overheated economy? What happened? They implemented an inflation–fighting policy that hurt all of Canada.

Very briefly, if he believes that we will have no more influence on monetary policy, let me tell him that whether we print our own currency or use another one, selling off all our Canadian dollars on the market would cause a major decline in the value of the Canadian dollar.

The Acting Speaker (Mrs. Maheu): Sorry, but the hon. member's time is up.

[*English*]

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Madam Speaker, I rise today to speak in the debate on the opposition motion and indicate why I cannot support the motion.

I cannot do so because I believe that together we are a great nation, a strong, vibrant and wealthy nation that is inclusive, a nation and a society that knows how to accommodate French and English, native peoples and cultures from the four corners of the world.

• (1205)

Quebec within Canada has accomplished an extraordinary amount. To quote Mr. Parizeau:

[*Translation*]

"—what our people has accomplished in 30 years is remarkable."

[*English*]

To go further into the speech he gave on December 6, he talked as the minister did earlier about the accomplishments of Quebec, a society which lacked a ministry of education that now has a technology so advanced that it exports the majority of it, a society which did not have a business culture, which:

[*Translation*]

"—has produced internationally renowned industrial and financial giants. A society which was said to be without a history and without a literature now has its own films, singers, dancers, writers who travel the world."

[*English*]

It is an extraordinary accomplishment. In his speech of December 6 Mr. Parizeau said that the preamble to the declaration would be a declaration:

[*Translation*]

"—like the American Declaration of Independence of which we still hear echoes more than 200 years after it was written."

[*English*]

Exactly. I had a chance to look at the Declaration of Independence of the United States following Mr. Parizeau's comments. I read from that declaration:

> When in the Course of human events, it becomes necessary for one people to dissolve the political bonds which have connected them one with another, and to assume among the Powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.

What are the causes? The Declaration of Independence goes on:

> Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shown, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed.

The Declaration of Independence has the advantage of listing the causes for separation and for breaking the bonds, indicating why there was respect for the opinions of mankind. The causes are listed:

> The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of absolute Tyranny over these States.

Canada has not been tyrannous and with due respect to the official opposition it has not said it is. The Declaration of Independence declared that the facts should be submitted to a candid world and we ask for these facts. What were their facts? The King of Britain, and I quote:

—has refused his Assent to Laws, the most wholesome and necessary for the public good.

In Canada despite the power of the federal government to have disallowance of legislation of the provincial legislatures, it has not been used in the case of Quebec in recent times. Indeed it has not been used over the last half century.

> He has forbidden his Governors to pass Laws of immediate and pressing importance, unless suspended in their operation till his Assent should be obtained— He has dissolved Representative Houses repeatedly, for opposing with manly firmness his invasions on the rights of the people.

No legislature in Canada has been dissolved.

> He has called together legislative bodies at places unusual, uncomfortable, and distant from the depository of their Public Records for the sole purpose of fatiguing them into compliance with his measures.

There may be a point there. I think you will agree, Madam Speaker, that whatever the complications and burdens that

members suffer, it is not so unusual and uncomfortable that it represents a great burden. It goes on:

> He has kept among us, in times of peace, Standing Armies with the Consent of our legislature.

We have heard recently from the official opposition that rather than complaining about standing armies within the province of Quebec, we hear the request that existing institutions which represent the Canadian military be sustained in that province. It goes on:

> For cutting off our Trade with all parts of the world:

We heard earlier today the official opposition speak about the importance of the free trade agreement with the United States, indeed taking some credit as a province, not as a party obviously, for having that particular agreement sustained in the Parliament of Canada. Far from cutting off trade, we have increased the possibility for Quebec, not only through the free trade agreement, but also through the WTO, recently approved. It goes on:

> For depriving us in many cases, of the benefits of Trial by Jury:

That has not been done.

> For transporting us beyond Seas to be tried for pretended offences:

Or:

> For taking away our Charters, abolishing our most valuable Laws and altering fundamentally the Forms of our Governments:

Canada is not tyranny. Separation would be weakness. If we would be weak and not just as a country, the weakened soul as a society, separation would enfeeble all of us.

• (1210)

Out of alliances come strength. Out of separation comes disintegration. Out of inclusiveness comes tolerance. The success of our history to date is proof that it is not necessary to break up a country to satisfy our mutual aspirations.

Since this is our national Parliament, I assume that all of us here have the best interests of the country at heart. I sometimes forget that the agenda of the official opposition is not in the best interests of the whole country but rather the separation, the dissolution of the country.

Where else in the world would a country and a political system be sufficiently flexible to tolerate an official opposition whose only goal is the breakup of the country? That is not tyranny.

Only in Canada, you say? Absolutely, and that is true. The presence of the official opposition of the Bloc Quebecois in Parliament speaks louder than any words. It is a living expression of Canada's deeply rooted and unshakeable commitment to democracy. Our political system respects the wishes of Quebecers and demonstrates that our system can accommodate the expression of the views represented by the official opposition which we hear daily in this assembly. If the opposition truly had the interest of the constituents at heart it would use its presence in Parliament to take every opportunity to strengthen not to diminish the gains acquired over the generations.

Approached constructively this Parliament could be used to further the interests of Quebec. Instead of taking this opportunity to secure Quebec's place in Canada, the official opposition too often undermines Quebec's strong place in Canada as a full partner in the country.

As the official opposition the Bloc has a responsibility to assist in the governance of the country. Its obligation not just to Quebec but to the rest of the country is to work constructively to build a greater and even stronger nation.

As the opposition the Bloc has a legitimate role to play in ensuring that the government does not overlook the interests of anyone. It could keep a watchful eye on the interests of Quebec and at the same time help build something larger. It could ensure that as the country goes from strength to strength, Quebec is along enjoying the benefits too.

We heard earlier today comments about the status quo but surely in Canada, in Quebec, everywhere in the world there can be no status quo today, as the member for Rosedale indicated a few moments ago.

Status quo is to stop growing. To stop growing is to stagnate. There can be no status quo in the modern world. Since its inception Canada has been a nation that has changed. We are changing today. We are changing in the life of this Parliament. For example an historic breakthrough occurred when the first ministers of this country agreed on a process to begin the elimination of internal trade barriers, an agreement that was of great importance and will be built upon and is supported I believe by members opposite.

We did not need, it must be said, a constitutional amendment to do this. When common sense and our own self interest told us that it no longer made any sense whatever to be part of the largest free trade bloc in the world and still maintain internal barriers which are an obstacle to prosperity, we found a way out. In the same spirit we will find a solution to other problems. For example the two territories and eight of the provinces have signed action plans with the federal government to reduce overlap and duplication in a host of areas.

Yesterday the minister of Indian affairs signed a milestone agreement with the native peoples of Manitoba opening the way to full self–government. This is the product of negotiations and a willingness to come to an agreement. It was not necessary to

rewrite the Constitution and this is not preservation of the status quo.

What we are offering Quebecers and Canadians is not the status quo. We are offering a country in evolution that is gearing itself to prosper in the next century. In that next century we expect and we hope that Canada with Quebec will play an even more prominent role. It is obvious to everyone that current political, economic and technological developments around the world are leading to an era of globalism where individual nation states play a lesser role. The previous speaker for the Bloc paid attention to that very concern.

Countries which are not integrally tied into a larger alliance are going to be bypassed. This is not the time to set up borders. It is the time to bring down borders.

• (1215)

The Europeans, for example, have come to realize that the nationalist balkanization of the continent will not be sustainable in the future. They are moving inexorably toward the creation of a European federation. They have a long way to go but the development of the federation is now in sight. Last evening I heard a Frenchman and a German speaking to each other, talking about the common cause co–operation which they have built. I thought to myself, what an extraordinary accomplishment this is, for two nations that have literally killed millions of each other's citizens in the twentieth century, within living memory of many French and Germans. But they have accomplished a lot and that is what they emphasized to each other.

They still have a long way to go but the development of the federation will take place and is taking place. Canada, we must remind ourselves, is light years ahead of the Europeans on this count; it is one of the oldest and most successful federations in the world.

In conclusion, the adventure we have had together in building the country is the best guarantee we have that once again, together, we can continue to build a country for ourselves and for our children that is envied in all the world.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, I listened with great interest to the hon. member's speech. I must tell him that, contrary to what he said, the Official Opposition is playing its role of watchdog regarding the government's activities and the legislation tabled in this House.

So far, that is for a year now, the Bloc Quebecois has done all that was necessary to provide the government with the necessary tools to stimulate employment, but the government did nothing. I think that we do play our role very effectively.

Also, after 35 years of constitutional failures, do you not believe that the time has come for Quebec to get the powers it needs to control its destiny? This is what Mr. Parizeau is inviting us to do with his bill. He is inviting all Quebecers, including people in my riding of Chicoutimi and in my region of Saguenay—Lac–Saint–Jean, young and old, regardless of their political affiliation, to participate in this debate, which is as important for the rest of Canada as it is for Quebec.

I must recognize that the hon. member was the only one this morning, from the government side, who did not question the legality of the proposed draft bill, and he deserves credit for that.

The member referred to the federation of European countries. I should point out that these countries are also sovereign nations. Quebec simply wants to have the powers it needs to become the country Quebecers want.

I have a question for the hon. member. Some Liberal MPs from Quebec said that the federal government should abstain from holding its own referendum in Quebec.

The hon. member for Bonaventure—Îles–de–la–Madeleine told us that, in his opinion, this was a Quebec referendum and that it was up to Quebecers to decide their constitutional future within the federation.

Does the hon. member agree with these two views?

• (1220)

[*English*]

Mr. English: Madam Speaker, several points and several questions have been raised. I will try to respond briefly to them.

In talking about the role of the official opposition, I did not comment precisely on what was being done in this Parliament. I was encouraging the members to work together with all parties to strengthen the Canadian nation. There are many opportunities to do so; in committees, in Parliament and in the legislation that is brought forward. By working together we could face the many challenges we all admit this country is facing. The role the hon. member suggested of monitoring or supervising the process that occurs here I think is a limitation on the possibility of what a parliamentarian can do.

The hon. member and his colleagues would do well to consider the greater possibilities that reside in this Chamber, possibilities that can lead to a strengthening of the interests of all Canadians and Quebecers as well.

The constitutional failures of the last 30 years were discussed by the hon. member and he asked were these not sufficient proof of the need to consider separation. In Mr. Parizeau's declaration of December 6 he opened with comments about what had been achieved apart from the Constitution.

I would like to talk about what Quebec and Canada have achieved apart from the Constitution but in terms of what Quebec has achieved according to Mr. Parizeau. He said:

[*Translation*]

"Together, we have made the past 30 years a unique period in our history."

[*English*]

This is extremely important in the view of the premier of Quebec. In the 1960s a vigorous cultural life was built in the province and a modern state was built. In the 1970s the democratization of education of the society occurred. In the 1980s:

[*Translation*]

"—in spite of a severe recession, we attained economic power—"

[*English*]

He goes on to talk about the widening of Quebec's presence within the world.

Rather than focus on the limitations and the failures, following on the words of the prime minister of Quebec, one could look at the accomplishments of our country which are truly magnificent. They look to the future. They look to the importance of co–operation and they also point to the necessity of keeping the country together.

[*Translation*]

The Acting Speaker (Mrs. Maheu): I recognize the hon. member for Terrebonne. You have about two minutes left to make some comments and ask a question.

Mr. Sauvageau: Madam Speaker, how much time do I have left?

The Acting Speaker (Mrs. Maheu): Two minutes.

Mr. Benoît Sauvageau (Terrebonne, BQ): Madam Speaker, I am very pleased to have a few moments to elaborate on the comments made by my colleague from the government party.

I also want to thank my party for letting me speak on what I see as a fundamental issue and I want to remind my colleagues that this issue is the one and only reason all of us, in the Bloc Quebecois, have entered public life.

So, today's debate is extremely significant, even though the time at our disposal is limited. In the little time I have, I want to invite the people in my riding of Terrebonne, the people in the Lanaudière region, to take part in the consultation process. Contrary to what we were told earlier, the people in favour of our project are invited to participate in order to examine in depth our position and to show their support. Those who are against are also invited.

Finally, I want to ask my colleague a question related to what his leader said in 1990, during a brunch where 800 Liberals were gathered. His leader said that the Liberal Party of Canada would propose a new social contract and a major constitutional reform. He made that statement on October 28, 1990. Where do things stand now?

• (1225)

[*English*]

Mr. English: Madam Speaker, the situation that exists in Canada is not one where we are satisfied with the status quo. We are changing the country. We have social security reform. We have a major budget coming forward. We have programs in the area of foreign affairs. We have programs in many areas that will affect very much the way the country is organized and the way it functions.

We are not committed to a federalism that is static. We have a flexible federalism. That is the kind of country we intend to work with.

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Madam Speaker, it is with great pleasure and pride that I rise today to speak on the motion presented by my colleague for Laurier—Sainte–Marie: That this House enjoin the government to recognize the legitimacy of the democratic process initiated by the Government of Quebec in order to allow Quebecers to chart their own political and constitutional future.

On September 12, 1994, in Quebec we finally did elect a separatist government which clearly puts its option on the table and asks all Quebecers to take part in a huge democratic operation. This is totally new! It is a clear, simple and open process where nothing is hidden. Liberals from the provincial and the federal levels have claimed that they will not take part in this process, which they consider illegitimate.

The Prime Minister and his friends protest and try to minimize this process initiated by the Quebec government and its impact. Federalists try to ridicule and trivialize the process. This is too bad, since they thus demonstrate a lack of respect for the duly elected Quebec government.

Their reaction appears normal to us and was rather predictable. For once, they are not the ones to set the agenda and the final result of this vast democratic operation will not be a new kind of federalism but rather sovereignty for Quebec, the creation of a new country.

I really wonder what federalists expected of a sovereignist government. Did they think that the Parti Quebecois would ask Quebecers if they would like to have renewed federalism or, as the Minister of Intergovernmental Affairs recently put it, flexible federalism? Come on! Be serious and show some respect for the Quebec government! I am sure that once you will be over the shock, you will want to sit down with us and express your point

of view. Mr. Parizeau has extended an invitation to you and it would be in your interest to accept it. Besides, I see today that, thanks to our motion, you have already entered the debate and this is a good sign.

I would like now to touch on a sector that Quebec's sovereignty will help simplify and make more efficient and effective, that is, job training. For years there has been a consensus in Quebec that job training has to be under exclusive provincial jurisdiction. Employers, unions, workers as well as social and economic groups all agree: Quebec must have all powers for manpower training. Everybody agrees that federal programs and budgets must be repatriated in order to develop a consistent and intelligent manpower training policy.

For years the federal government has turned a deaf ear to Quebec's request in this respect. It systematically refuses to give Quebec what it is asking for. It hides behind national objectives and its responsibility for unemployment insurance to intervene in an area under provincial jurisdiction.

This intrusion by the federal government has created two manpower networks in Quebec. A vast number of federal programs overlap and duplicate provincial programs. According to André Bourbeau, a former Quebec minister, this situation wastes some $275 million a year of taxpayers' money in Quebec alone.

In 1991, in a policy statement on manpower development, this former Quebec Minister of Manpower, a Liberal and a federalist, said: "For many years Quebec has claimed control over policy instruments that influence the job market. This means that the Government of Quebec and its economic partners are demanding that laws, budgets, institutions, programs and services related to manpower and to the job market be under one authority. Quebecers with an interest in the job market recognize almost unanimously that manpower policies must be developed by those who are closest to the various areas of the job market." What has the federal government done to respond to these rational demands from Quebec? Nothing! It has rejected them out of hand.

• (1230)

Meanwhile, Quebec's workers and employers are suffering as a result of this situation. Indeed, the double system is cumbersome, slow and complex. Workers and employers do not need that. They need the exact opposite. They need training that is effective, fast and convenient.

An employer or a new company looking for workers cannot afford to wait around for years until these people are trained. As soon as companies announce their requirements, the training system must be able to provide a quick response. This kind of efficient and quick response is particularly important, considering the new technologies being used. And the same applies to workers. They must be given the means to acquire training without being penalized.

Recently, I was given an example of this lack of flexibility in the training system by one of my constituents. This person wanted to take an 18–month course in office automation. The Canada Employment Centre told her she could not do that because the federal government had only approved 12–month courses. Many workers who want to get off unemployment or welfare are faced with this kind of situation which makes no sense at all.

In Quebec, we want to make the system more flexible, and we want to make it smarter. Today, we cannot do that. The federal presence prevents us from making these crucial improvements in the system. Today, the federal presence is paralysing the entire system. In 1993, Canada ranked twenty–second and last, and I repeat, twenty–second and last among developed countries because of its very poor level of in–house training. This figure is not often mentioned by these people across the way. It is a little embarrassing, I suppose.

Let us consider briefly why people no longer know where to turn. The federal government is interfering in this area with 27 programs in addition to Quebec's 25. The federal government interferes by maintaining 100 Canada Employment Centres, although Quebec has put in place la Société québécoise de développement de la main–d'oeuvre. The mandate of the SQDM was originally to establish genuine one–stop counters in all regions in Quebec.

I am referring to genuine one–stop counters for Quebec, not a façade like we saw in the Canada–Saskatchewan agreement which, in fact, subordinates the province's jurisdiction to the federal authority. In other words, the kind of one–stop counter that even Daniel Johnson, Quebec's Liberal leader, criticized and rejected.

Today, the SQDM acts more like a manager of federal funding, without any real say over how it is spent. The lack of co–ordination between the two networks means that the unemployed are not getting the kind of service they need. In an internal memo, the federal government revealed that, in the spring of 1993, close to 25,000 unemployed workers, although they had been referred to a training program, could not be accommodated.

Quebec sovereignty will make it possible to clean up the sorry mess the federal government put us in. The federal lack of willingness to give Quebec what we have been demanding for years in this respect, worse yet, its increasing encroachment on

our turf is the last straw which will make people vote yes, very soon.

Then, we will be able to put in place the system we have been yearning for for so long, an intelligent system which will efficiently meet the needs of the labour market. Bye bye, dirty old federal machine which has not had an oil change in years.

• (1235)

To conclude, I invite all the people in Laurentides, in my area, my riding, to participate in the regional committees which will hold hearings in February. For the first time, Quebecers will have the chance to say clearly and freely what kind of society they want and whether or not they want a sovereign Quebec. Individuals and groups of all allegiance, join us to have a democratic look at the sovereignist option. Express your point of view, voice your fears, suggest improvements; the committees which will crisscross Quebec will welcome you and want to hear from you.

At the end of the day, Quebecers will decide if they want their own country, a country which will reflect their aspirations, a country in which they will be fulfilled.

The process the Government of Quebec is offering us is unique. It is democratic, it will make it possible for each and everyone to be heard.

I will never stop fighting to establish the country of Quebec. I will do so with strength and vigour, because my most fervent wish is to hand down to my children a country called Quebec.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I would like to make a couple of comments on the member's dissertation.

I am very concerned about my fellow Canadians in Quebec. I am concerned when I look at their financial situation in Canada today. The government of that province does not seem to want to address the real problems facing the people of Quebec. I look at a province that has the highest per capita deficit on a provincial basis of all the provinces in Canada: $9,400 for every man, woman and child in the province of Quebec, a debt which is 40 per cent financed not only outside the borders of Quebec but outside the borders of Canada.

These people in the international trading environment are looking very closely at Quebec, at the debate that is going on here today. As the province of Quebec goes out to refinance its debt on the international marketplace it is going to find fewer and fewer people interested in investing in that province. I am very concerned that the average person in the province of Quebec is going to start watching their lifestyle and their standard of living decline.

I note also that the last election in the province of Quebec was basically on the matter of bring us good government. I am concerned with the premier of that province who was a finance minister during a period in time of Quebec's history that drove up the deficit higher than any other administration: 285 per cent during his administration of that system.

I simply want to ask: What is going on here, what is happening? The day after separation no new day, there will be no change. The reality is that we are talking about transferring powers from Ottawa to Quebec City. I do not know how that helps people in Chicoutimi.

The reality is that people want control of their own destinies. Our government has been spending a lot of time discussing social policy review and other areas that affect federal legislation and it is going to the people, it is talking to the people in the streets on how they want to control those aspects of their lives. Creating new embassies all around the world is a duplication of expenditure and a cost to the people of Quebec.

My colleague often talks about Canada as a hypothetical country. To me the state of Quebec is an illusion. People will not be any better off; they will be worse off.

We have some common things, the people of Quebec and the people of the rest of Canada, common things that unite us. One of the major ones is our proximity to the United States and the economic power that country wields on this side of North America.

• (1240)

I think it has always been in our best interest, as a united country and as a united people, to be part of a culture which is both French and English.

I would like to ask my colleague how she thinks things are going to be so magically different.

[*Translation*]

Mrs. Guay: Madam Speaker, the scare campaigns do not scare Quebecers any more. We have been subjected to them for over 30 years, but they do not work anymore. Quebec has all the tools necessary to take charge of its affairs. For years it has asked for the powers needed to assume responsibility and develop.

At the present time, business is expanding as never before and faster than in any other province. Quebec is very active on the various markets. When it takes on all the powers of an independent country, I am sure it will develop very fast on all markets: the Quebec market, the Canadian market, the international market, as well as the American market. I am not worried about that.

Once we take back our powers, the $275 million wasted annually on manpower training, as I mentioned, will be invested in training for us, training for our people, for the development of

Quebec. I do not fear any kind of collapse the day after the referendum is won, nothing like that will happen. On the contrary, a new country will be born and we will move ahead economically.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, as you may have guessed, I proudly welcome this opportunity to take part in today's debate and to join my colleagues in deploring the fact that federal members who represent Quebec here in Ottawa have refused to take part in what is probably the most legitimate democratic process ever initiated by the National Assembly.

Quebec is a democracy. Quebec has one of the oldest parliament in the world, and the entire history of Quebec's nationalism is entwined with the history of democracy. Earlier, I was appalled to hear the hon. member for Hull, who is responsible for the federal government's referendum strategy, trying to discredit the initiative tabled by Mr. Parizeau's government a few days ago.

One thing is clear. History tells us that very few nations have had a chance to write their own constitution. Consider George Washington, Jefferson, Madison and all the great thinkers who helped to draft constitutional texts, and who did so because they were members of the elite. They did it because they were members of the educated class.

What we are saying is that in our quest for sovereignty, we want to have the broadest possible democratic base. This is an opportunity for all Quebecers, regardless of their social class, political allegiance or personal wealth, to come forward and say what kind of constitution they want and what kind of society they want to live in. Because that is what a constitution is all about. A constitution says what we are and what we want to be.

By giving all Quebecers a chance to take part in this democratic process, the Premier is saying to the National Assembly, to Ottawa and to the world: We see sovereignty as part of a quest for democracy. We cannot plan our future, we cannot make this wonderful plan for sovereignty a fact without the participation of all Quebecers.

As many journalists and opinion–makers have pointed out, the situation we have today is different from the situation in 1980. There is no federalist leader with any credibility, and we can hardly expect the present Prime Minister to be able to inspire the federal troops.

• (1245)

In a democracy, the best way to fight against something is to propose something better. There is no other way. Therefore, the best way to oppose sovereignty in 1994 is to show that federalism can be attractive. If the Quebec federalists, whether the hon. member for Saint–Léonard, the hon. member for Saint–Henri—Westmount or any other member from Quebec, believe in their option, they will come forward and address the 16 regional commissions in order to tell us why, in 1994, Quebecers should stick to federalism. They will be welcome to defend their option. But the truth is that federalism does not get anyone carried away.

When the Minister of Intergovernmental Affairs, with his big ego, suggests that we talk about flexible federalism, we all know that flexible federalism depends on the deficit. But right now, that deficit is so high that the Minister of Finance cannot even watch himself spend. That is the situation. That is why federalists cannot come and sit at a table in good faith and propose a plan for renewed federalism.

We spoke earlier about the economic accomplishments of Quebec, but what makes it special also stems from its deep respect for every component of democracy. I want to draw your attention to the fact that the draft bill tabled before us says something crucial, something all members representing English Canada should keep in mind. Section 3 of this draft bill says that we will draft a constitution which will include a charter of human rights and that—and I will quote section 3—"The constitution shall include a charter of human rights and freedoms. It shall guarantee the English–speaking community that its identity and institutions will be preserved. It shall also recognize the right of Aboriginal nations to self–government on lands over which they have full ownership."

The scope of a section such as this is not well understood. We are saying to the English–speaking people, at the beginning of this debate: Your community is essential to our future. It is with the 900,000 anglophones in Quebec today that we want to think about the future, and we are telling them: In our sovereignist project, we will give you all the place that is rightfully yours.

This is not new because you will recall that, as early as 1967, René Lévesque distanced himself from a segment of the nationalist movement that did not want to recognize the right of the English–speaking community to public schools funded by the government.

We are saying, at the beginning of this debate, to the English–speaking community as well as the aboriginal people, who are our two most important minorities: Not only will you have a place in a sovereign Quebec, not only will we recognize all the rights that are yours today, but we also want you to take part in this democratic process that is taking place.

In this regard, I think that Quebec is probably a better example of democracy than Ottawa. As for the eleven Aboriginal nations who live on the territory of Quebec and form a community of almost 55,000 people, let us not forget that René Lévesque, that great democrat—and I must say that very few members opposite have the courage to quote from the Referendum Act, a tool he left us to consult people—and his government, back in 1985, allowed the eleven Aboriginal nations to be

recognized all together for what they were. We want these rights to be entrenched in the next constitution of Quebec.

Remember that Quebec has experienced that constitution. There is a misunderstanding about the revolutionary nature of what is happening. We are about to recognize the right of our two major minorities to participate in the development of the constitution, while throughout our history, we were forced, as Quebecers, to accept a constitution about which we had never been consulted. It is absolutely outrageous to hear Quebecers and Canadians being told that the process is rather undemocratic because the people will be consulted.

• (1250)

From the Treaty of Paris to the Union Act and up until 1867, Quebecers were never consulted. We want to make up for that, we want as much people as possible to participate in the movement towards democracy that is getting under way. We repeat today, as Premier Parizeau said, that in the next constitution, we are going to recognize the right to self–government of Aboriginal nations, who were in fact the first people to occupy this territory. Such recognition shall be exercised in a manner consistent with the territorial integrity of Quebec. We say to aboriginal peoples that they will have the right—and this right will be entrenched if they so wish—to their traditions, their cultures, their lands and their language. We say to the English–speaking community that we want them to have a public school system, from preschool to university, which is giving them full participation in Quebec life.

In conclusion, I want to say that if federalists still have beliefs, if federalists still believe in intellectual integrity, their place is before the 16 regional commissions which will travel throughout Quebec, because if their option is good enough to convince Quebecers, as they argue, they have to put themselves through this consultation test. It is not by refusing to take part in a democratic process that these people will be able to revitalize an option that is stalling but still has the right to exist.

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Madam Speaker, I would like to make a few comments and then ask the hon. member some questions.

First, I would like to make a correction. When my hon. colleague refers to English Canada, he refers at the same time to the protection of minorities in Quebec. I am a francophone member of Parliament and a Canadian and I come from New Brunswick which is not part of English Canada or French Canada, but of Canada.

The hon. members across the floor emphasize the importance of being honest and open and say it is all a matter of choice, but I could show you here that the first page of the draft bill is entitled: An Act respecting the sovereignty of Quebec. They do not even have the courage of their convictions. Once again, they talk about sovereignty when in fact, the objective is the separation of Quebec. We are asked to get involved in what is proposed on the first page of the draft bill.

Allow me to turn to the second page. This draft bill sets out the political objective. As a member from the Bloc pointed out a moment ago: Come on, we have elected a PQ government in Quebec. I hope you were not expecting us to offer a clear choice between federalism or separation to the people of Quebec. This is what she said and it is obviously what they have in mind here.

They say that this bill suggests that Quebec will become a sovereign country democratically. How can they talk about democracy when they have already made up their minds about all the issues to be debated, how they are going to proceed, how to use the currency, share the assets and divide the debt? This is not a clear choice. They are not showing the people of Quebec what the real situation is now and what it could be tomorrow. We are invited, in my case as a so–called member for English Canada, a federalist—

Mr. Lebel: Not you.

Mrs. Ringuette–Maltais: Are you not inviting me?

Mr. Guimond: No.

Mr. Lebel: No, you are not invited.

Mrs. Ringuette–Maltais: You are not inviting me. Therefore, you do not want Quebecers to know exactly what they are getting into. Thank you very much for not inviting me to participate.

Mr. Guimond: You have nothing to do with that!

• (1255)

Mrs. Ringuette–Maltais: You are going to have to decide at some point. You will have to!

I wish to stress that the document I read, the document before me, calls for the participation of the people, presumably only those of the same political stripe, since I was just told that I do not have the right to take part because I am a federalist. Yet, Mr. Parizeau says I do have the right.

An hon. member: You do not know how to read!

Mrs. Ringuette–Maltais: Madam Speaker, it is obvious—

An hon. member: She does not know how to read!

Mrs. Ringuette–Maltais: —that this document is undemocratic and does not lead to a debate on the options. It is indeed a dictatorship in disguise.

As I mentioned earlier, when Quebecers stood up, they rejected the Duplessis regime, they said no to dictatorship. I am convinced that Quebecers will make a sound decision when asked a clear–cut question, not one like this, which is only propaganda.

I wish to tell the members of the Bloc that, even if they do not want me in Quebec, Madam Speaker, my roots are in Quebec, Quebec is part of Canada, and I will go there whenever I please. Therefore, I think we should stop here because the members of the Bloc are just showing their fellow citizens that they no longer want anyone else. They want to remain isolated. Something I regret.

An hon. member: I have a question, Madam Speaker.

The Acting Speaker (Mrs. Maheu): I am sorry, but time is up and I really cannot extend it.

Mr. Ménard: On a point of order, Madam Speaker. It was up to you to monitor the member's speaking time. You know very well that the process we are in—

An hon. member: Enough of that!

Mr. Ménard: I am not talking to you, I am talking to the Chair. It was up to you to monitor the speaking time—

The Acting Speaker (Mrs. Maheu): Order, please! I am giving the hon. member 30 seconds.

Mr. Gagliano: On a point of order, Madam Speaker. The 10–minute period is for questions and comments. The hon. member chose to comment, therefore there was no question. You cannot change the rules every time a member complains.

The Acting Speaker (Mrs. Maheu): The hon. government member is absolutely right. The time has expired.

Mr. Duceppe: On a point of order, Madam Speaker. You recognized the hon. member for Hochelaga—Maisonneuve. You do not have to take orders from a government member. I think that the—

Mr. Ménard: On a point of order, Madam Speaker. I respect your decision not to continue debate. As you are independent, I hope you are not going to let your decision be influenced by the hon. member for Saint–Léonard, who would have been better advised—

The Acting Speaker (Mrs. Maheu): Resuming debate. The hon. Secretary of State has the floor.

Mr. Gagliano: Madam Speaker, I rise in this debate to speak against the motion introduced by the hon. member for Laurier—Sainte–Marie.

Mr. Ménard: On a point of order, Madam Speaker. I want to be heard.

The Acting Speaker (Mrs. Maheu): I was under the impression that you had understood that there was no time left. Following comments from both sides of the House I came to a decision. My decision is clear. The Secretary of State has the floor. The issue is closed. The Secretary of State has the floor.

Mr. Ménard: On a point of order, Madam Speaker.

• (1300)

The Acting Speaker (Mrs. Maheu): One moment, please. Order! I will not accept threats from anyone.

Resuming debate, the Secretary of State.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, as I was saying, I rise to speak against the motion of the member for Laurier—Sainte–Marie. The Bloc Quebecois members are trying to use the same tactics as their colleagues from the Parti Quebecois; it is quite normal, both parties are separatist.

Both are trying to make Quebecers believe that the process they are putting forward is clever. Being clever and sly has nothing to do with democracy. Democracy does not resort to clever tricks. When I read the motion by the Bloc Quebecois, I was reminded of Mr. Parizeau's own comments boasting that he had found a clever way to convince Quebecers of the validity of the separatist ideology.

In turn, the Bloc members are resorting to Mr. Parizeau's clever trick. They are trying to make us believe that the process he started is democratic. When I read the motion, I came to the conclusion that this House cannot, in a million years, endorse such a trick. This House must not support a process which does not lead to the real question. This House must not support a motion which is trying to hijack Quebec's established and legitimate consultation process. This House, this bastion of democracy, must defeat the motion by the Bloc Quebecois.

It is also obvious that the process advocated by the Parti Quebecois and its mirror image, the Bloc Quebecois, was conceived to deliberately disguise the real debate, to lead Quebecers away from the real question, from the debate on the question the Parti Quebecois itself put forward on many occasions. This question, the real one, the one the Parti Quebecois had committed itself to put to a vote, was to clearly ask Quebecers whether or not they wanted to separate from Canada.

However, the Parti Quebecois, and by default, the Bloc Quebecois, preferred to skip this step. According to Mr. Parizeau, the people of Quebec should not be asked if they want to separate from Canada. They must not be asked to vote on a clear and simple question as part of the process set in motion under the referendum act. No, that would be too democratic and not shrewd enough.

Mr. Parizeau decided instead to force the people of Quebec to take part in a process, the outcome of which is already known, one that offers only one option and they are required to make a profession of faith for separation in order to take part in this process. Let us not delude ourselves. Parizeau has no intention of letting Quebecers who do not think like him influence his

process and its outcome. He has clearly stated that it would be difficult to change his mind about certain aspects of his draft bill. How are we to believe that the process will be democratic then?

• (1305)

How could a federalist who does not share the separatist ideal feel free to express her concerns to a commission mandated to consider the basis of a sovereign Quebec, separated from Canada? She will not even be given the opportunity to question separation or discuss the issue. She is invited to share with Mr. Parizeau her views on the choice of a currency, her citizenship, and the future of Quebec apart from Canada.

Where will federalist Quebecers find a forum where they can exercise their right to speak and put across their fundamental opposition to separation? They will quite simply have no forum, because the Parti Quebecois just does not want to hear what they have to say.

As we say in French, the PQ has no use for anyone who does not share its opinion. The Parti Quebecois has already decided the future of Quebecers. The PQ and Bloc members are the only ones who know what is good for the people of Quebec. They have charted their future without even consulting them.

In the interest of the people of Quebec, the Parti Quebecois will take Quebec out of Canada. Too bad for Quebecers who believe in federalism and object to separation. Too bad for you, if you wanted to express your concerns and fears about, or rejection of the separatist option. Just do not be afraid.

The Parti Quebecois is telling these people that there is nothing to be afraid of, since it has all been decided: economic association, currency, legislation and so on. All they have to do is vote on a bill that has already been passed by the Pequiste majority. They do not even have to worry about the desirability of separation because, as far as they are concerned, it is a done deal.

The Parti Quebecois says that it is the only option, that there is nothing else. Such is the democratic process PQ style. Everything has already been decided in advance. It is as though your neighbour Gilles woke you up on Saturday morning to tell you: "You are moving. The decision has already been made. You have no choice. If you want, however, we can discuss the size of the moving van you will need".

No one could describe this as an open approach allowing all viewpoints to be heard. You could not even object to your moving; it would be a done deal.

Like your neighbour Gilles, the opposition member is asking us to say: "No problem. Even though I have always been against moving, it does not matter. I will move. Let us now discuss the size of the van".

Such is the democratic logic of the motion they are asking us to adopt. Not only is the process rigged but there is an additional obstacle. Federalists are not allowed equal representation on the commissions advocated by PQ members. They are not given access to the same resources and do not have as much time to speak as the separatists. The process advocated by the PQ goes against the very spirit of the Referendum Act.

René Lévesque, who was a proud believer in fairness and parity, would be ashamed. Those who define themselves as his heirs are now subverting the basic principles underlying Quebec's tradition of consulting its people. How can they ask us today to ratify a process that flies in the face of democratic principles?

The PQ process is forcing people to conclude that separation is inevitable, that Quebecers no longer have a choice. I am denouncing this bluff by the Quebec government, just as I reject the motion tabled by the Bloc Quebecois.

Nowhere is it said or written that Quebecers must separate from Canada, and that to fully realize their future, they must create a new country. Quebecers already have a country, a country that they built, that belongs to them, that reflects their culture, their language, their achievements, a country where they are free to grow without constraints. This country is Canada.

• (1310)

Quebecers were directly involved in building and developing this country. They did more than preside over its birth. They are responsible for it and contribute to its growth. They are essential members of this country.

The opposition's motion asks us to presume that Quebecers want to break their ties with their country, to reject a country that they built and which belongs to them, without asking them whether or not they want to take that road.

In all conscience, I cannot support this motion. I cannot vote for a motion which is contrary to the spirit of a citizen's most basic right in this country, namely the right to free expression of his opinion.

I call on all members of this House to vote against this motion, to vote no to the trickery which subverts the democratic process, to vote no to the ruse which hides the real debate. That is why we must defeat this motion, out of respect for democracy.

The proof of all that I just said is in the press release from the Premier of Quebec when he tabled his draft bill. I would like to quote the third paragraph of this press release from the Premier who tabled a draft bill on Quebec sovereignty this week. Here is what it says, in the third paragraph: "A vast process of information and participation will get under way to give all Quebecers an opportunity to take part directly in the discussion which is beginning. The people can comment on the plan, discuss it and propose improvements—" Madam Speaker, it says "propose improvements", not propose changes, only improve it.

Again I quote from the same press release from the Premier of Quebec, this time the fourth paragraph: "Through this process, Quebecers will also be asked to draft a Declaration of Sovereignty".

Nothing is said about asking people whether they agree that Quebec should separate from Canada. We are presented with a plan. The Government of Quebec and the Bloc Quebecois think that Quebecers agree on separation. However, according to opinion polls, the majority, at least 60 per cent, are against separation. Although the government was elected on the promise of being a good government and holding a referendum on separation later, it is proposing a bill as if it had received a mandate to trigger this mechanism leading to separation. It is quite clear.

When we say that not only Liberal members in Quebec City and Ottawa do not want to participate, even important groups in Quebec that took part in the Bélanger–Campeau Commission, which my colleagues opposite in the Bloc Quebecois have mentioned repeatedly this morning, like the farmers' union, the president of the Quebec City Chamber of Commerce, the president of the employers' council and the president of the Quebec manufacturers' association said that they would not participate in this process because it is undemocratic. They would have taken part if it had been something like the Bélanger–Campeau Commission, but not in a process like this. We are not the only ones. We do not want to participate. We participate fully in Quebec life. We want to take part in a debate where people can express themselves and make points for Canadian federalism and for separation. Once Quebecers have made their decision, then their government can table draft legislation like this and tell them: You have voted for separation. Here is how we will proceed.

• (1315)

What is Mr. Parizeau doing right now? He is skipping the basic step, because he has already initiated the process, without even securing a mandate to separate. The answer is no, a categorical no, and we will fight the process all the way to prove it. That answer is certainly the one Quebecers will give Mr. Parizeau, and here in the House, we say no to the Bloc members.

Mr. Ghislain Lebel (Chambly, BQ): Madam Speaker, I appreciate this opportunity to thank the hon. member for Saint–Léonard for participating in the current debate taking place in Quebec, this in spite of his views. He is acting like a true politician, as well as a solid and honest man, and I commend him for that.

However, I find that the hon. member is too easily outraged. I guess customs change with the times. Government members have been using the word democracy all day.

But remember the unilateral patriation of the Constitution. That was not the work of angels. It was done in 1982, by the Liberals opposite. Back then, they were proud of their democracy. The current Prime Minister, who is from Quebec, was the one behind that dirty job on Quebecers. What happened? It is very simple. They did not try to shaft Quebec. With his typical smile, which has become his trademark, he said: But we still got them, did we not? Just like a kid who did something bad.

The Liberals were not scandalized back in 1981. I remember Mr. Lévesque saying to these people, the day after the night of the long knives, that their rejoicing at Quebec's expense would end some day. Indeed, that rejoicing just might end very soon.

We mentioned the patriation of the Constitution. It goes without saying that this was not Canadian federalism's finest hour. René Lévesque was not impressed; he was no more impressed than the hon. member for Saint–Léonard is now when he talks about being forced to move.

At the Bélanger–Campeau Commission, the Bloquistes and the separatists did not have the upper hand. Yet, you were not upset by the undemocratic structure of that commission. You remained very quiet. Who took part in the 1982 coup, the unilateral patriation? At the time, you had relegated democracy to some dark place where the sun does not shine.

Madam Speaker, such a figure of speech is not unparliamentary.

Quebecers, including the hon. member for Saint–Léonard, are invited to a sort of summit. They are asked to give their views on the issue. Anything can be amended in this draft bill, which contains 17 clauses.

The preamble will be decided by Quebecers. I do not remember being consulted on the preamble of the Constitution and the Canadian Charter of Rights and Freedoms, in 1982. Democracy works only if you agree with the Liberal Party. Then it is democracy at play and the Liberals can have anything done to Quebec, usually by a Quebecer, because it does not look quite as bad. In fact, we know who their hatchet man is; he is not here today, but we know who he is.

It is now up to Quebecers to speak up and even draft the preamble of this historic draft bill.

• (1320)

Maybe he did not realize it, but the hon. member for Saint–Léonard just scored a point for the federalists. I congratulate him on it, but I wish he would not say that the process is undemocratic. I think the members on the other side of the House should be the last ones to talk about democracy.

Look what they did to democracy in the famous Bill C–22 on Pearson Airport; look what they do to democracy in Bill C–62 which was introduced so innocuously and which the government will use to give away huge chunks of federal operations to its friends, probably the same people who were involved in the

Pearson Airport deal. Since the government can no longer subsidize its friends, it gives away chunks of government operations. Democracy? I say to the hon. member for Saint–Léonard that this has nothing to do with democracy.

I want to know something. You know that democracy also includes the right not to get involved. Some communities may decide not to take my advice, not to get involved, and not to contribute to the process. If they choose not to take part, it will not make me cry. I will respect their right, because it is their most basic right not to get involved.

But I still want to stress that they are welcome to participate in this debate, if they live in Quebec, of course. I hope that members opposite will have the magnanimity to respect their cultural communities, especially French–speaking communities outside Quebec, which will not be included in the debate either.

To conclude, I just want to say that I am deeply offended to hear our process being called undemocratic, especially by some of the big names in the Liberal Party who were here in 1982.

Mr. Gagliano: Madam Speaker, this morning, the hon. member mentioned all the amendments proposed to the Constitution in the last 30 years. He spoke of the patriation of the Constitution, the Bélanger–Campeau Commission, etc., but not even once did I hear the hon. members of the Bloc speak of the 1980 referendum. There was a referendum in 1980 on the issue of sovereignty and people—

Sorry. It seems someone did talk about it. Well done! Unfortunately, I was out of the House at the time.

In 1980, Quebec's sovereignty–association with Canada was proposed and the people said no. Now, we are in favour of this type of consultation. We say to the Quebec government: Ask the question! If the answer is yes, go on with the process you have started this week! What is undemocratic and what you refuse to acknowledge is that you have skipped the most important step.

There was an election in Quebec and this issue was raised during the election campaign. As you will remember, your leader corrected Mr. Parizeau on this, during the big meeting held in Joliette. He was speaking of the Parti Quebecois's strategy because nothing was being done. He would not introduce a bill in the National Assembly without holding a referendum first. And now he tables a draft bill in the National Assembly and once this bill has been voted on, there will be a referendum.

No, that cannot be. First, they must get a mandate from the people. They must ask Quebecers if they want to secede or not. Can you honestly answer this question today? Do Quebecers really want to secede or not? Do you have the mandate? That is the question. We do not think you have that mandate.

Ask the question and if the answer is yes in the referendum, you may then initiate—and I use the word on advisedly—the process announced this week by the Quebec government.

The Acting Speaker (Mrs. Maheu): The hon. member for Terrebonne has 30 seconds for questions or comments.

• (1325)

Mr. Benoît Sauvageau (Terrebonne, BQ): Madam Speaker, I would have a question to ask the hon. member on the subject of democracy. I would like to know if he can comment on this quote from page 181 of the book *Straight from the Heart*: "The voice of Chief Justice Bora Laskin wasn't the only thing that wasn't clear; the majority judgment itself seemed rather ambiguous. It stated that the unilateral action of the federal government was legal but offensive to the traditional convention of getting provincial consent for constitutional amendments." Did my hon. colleague participate in that action?

The Acting Speaker (Mrs. Maheu): The hon. member has just 15 seconds.

Mr. Gagliano: Madam Speaker, I think that the hon. member is confusing apples and oranges.

Some hon. members: No, no.

Mr. Gagliano: It is simple. Why do you not have the courage to ask the question? Ask the question!

Ms. Catterall: Madam Speaker, I rise on a point of order. I want to inform the House that members of the government will divide their speaking time.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, I am rising today to speak to the following Bloc motion:

> That this House enjoin the government to recognize the legitimacy of the democratic process initiated by the Government of Quebec in order to allow Quebecers to chart their own political and constitutional future.

In so doing, let me be clear that I will be opposing the motion as I believe will be every member of the Reform Party. The motion is truly a test of our commitment to federalism in the most fundamental sense.

The motion talks about a democratic process. Is this a democratic process? The hon. member for Calgary Southwest, the leader of the Reform Party, has spoken on this point earlier. I will repeat some of his points but let me be emphatic in saying it is essential to say those things.

We are talking about a referendum. That is democratic. Before a referendum the bill proclaiming sovereignty or laying out sovereignty will be passed. It will be passed by a government elected by a separatist minority. It will be developed in stages which predefine a separatist outcome in a process completely dominated by separatists and restricted by separatist

options. The question to be asked will be lengthy. It concerns a whole bill. It will contain ambiguities and outright falsehoods.

The PQ government running this process has a very clear interpretation of the results. A yes counts; it is binding. As the leader of the Reform Party said, it is binding on those large unresolved items in the question. A no does not count. A no means we will just try again—some democracy.

The key of legitimacy is whether something is legal. This assumes that only the Quebec assembly, for this particular bill we are discussing, has sole jurisdictions in areas where it clearly does not. Articles 1, 10 and 13 reserve all powers now part of the Canadian state that require the consent of this Parliament to change and in many cases provincial legislatures strictly to the Government of Quebec.

Article 4 would allow the province to alter boundaries. It says it is not altering boundaries but it is a significant alteration to declare interprovincial boundaries to be international boundaries. Under our constitutional law that is a significant alteration.

Article 5 would authorize the Government of Quebec to pass laws regarding the use of Canadian citizenship.

Articles 7, 8 and 9 authorize the ascension of Quebec to Canadian interests and Canadian treaties, which are not just the business of this Parliament but also of our treaty partners, our internationally recognized fellow nations.

Article 11 authorizes the Government of Quebec to pay pension plans which are clearly under the jurisdiction of this Parliament and the Constitution, in some cases constitutional amendments that have been arrived at unanimously.

Article 12 would strip the Supreme Court of Canada and all other Canadian courts of their judicial authority to hear cases related to law. Article 16 would bypass all the legal amending procedures of the Constitution of Canada.

• (1330)

[*Translation*]

When I talk about legitimacy, I must say that, in my life, legitimacy has two parts: a political project and a political relationship. The first element is the democratic process, which is mentioned in today's motion. It is not a true democratic process, but there will be a vote, and the result of a vote cannot be ignored. I think this is important.

It will be a historic vote, and I hope it will be the beginning of an irreversible process if the result is yes or, more likely, no.

Legitimacy is made up of two other elements which are not mentioned in this motion. First, the interests of others in the political project or relationship. Their economic, fiscal, political, constitutional, social and international interests, as well as their preferences. This does not only apply outside Quebec. There are also the interests of foreign countries, of the Parliament of Canada, of other provinces and even those of hard core federalists in Quebec, in short, anyone who has the right to stay in Canada.

Second, and perhaps more important, there are the rights established by existing political and legal relationships, such as the treaties, laws, constitutions and powers of other governments here in Canada and in other countries. Our words should not be misinterpreted. It is not merely a wish, it is more than that. It is the duty of the Parliament of Canada, of the members of this House, whether they represent the Reform Party or another federalist party, to protect the interests and the legal rights of Canadians. Rights that are recognized by the international community, legal and necessary rights that all Canadians enjoy, in Quebec as in all other provinces.

The legitimacy of a unilateral process like the one proposed by the Parti Quebecois in Quebec cannot be recognized. I am not a Quebecer nor do I pretend to be one, but if I were, I would be proud to be a Quebecer, proud of my history, of my language and of my society, just as I am proud to be an Albertan. It is a choice I have made, not only as my province of residence, but also as a way of life, a vision.

I can understand Quebec's nationalistic policy which, like all nationalistic policies, has to lead to independence. I can understand this feeling, but I cannot share it.

We have to recognize that, in today's world, nationalism has its obligations just as it has its dreams. No group, no continent, no country, nobody can ignore the legitimate interests of others, but that is what the Parti Quebecois and its allies from the Bloc want to do.

This is nothing to be proud of. I think it is a shame and I sincerely hope for the benefit of Canada that the vast majority of Quebecers will recognize the irresponsible and dangerous nature of the unilateral process proposed by the government of Quebec.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I listened very intently to the member's dissertation. I am surprised in some real ways that the Reform Party has in a sense fallen into the trap of discussing a hypothetical case of the separation of the province of Quebec. What I do believe we should be doing is not being part of that program. What I would like to ask the member concerns some real issues that do occur and exist today in the province of Quebec.

• (1335)

Quebec has a massive per capita debt, a provincially formulated debt of over $9,400 for every man, woman and child in that province. Quebec's deficit is financed 40 per cent outside not only its borders but also the borders of Canada. Could the member reflect on what this debate is going to do and what it is going to cost the people of Quebec?

Mr. Harper (Calgary West): Madam Speaker, I would like to say a couple of things relative to that.

First, obviously this debate and the economic uncertainty that all this will cause will probably lead to no change whatsoever and is already costing us a great deal. It will cost Quebecers in terms of their bonds which already have a tremendous risk premium on the international market as well as the bonds of Canada which are affected indirectly. All of this uncertainty has cost us.

We know the cost it has caused Quebec over the past generation. When I was a boy, and it was not that long ago, Montreal was the major city in Canada. Today that is not true; it is Toronto. A lot of that is thanks to these developments that have occurred in the province of Quebec and this particular separatist debate.

I should be clear that in no way excuses the lack of action on the fiscal situation at the federal level. That is just as serious for Quebecers and for other Canadians and has also impacted negatively on the Government of Quebec.

Second, the member says that we are raising hypothetical scenarios. My speech and the speech of the leader of the Reform Party today were not on the hypothetical issues of separation, but on the real issue of the separatist process that is now under way in Quebec and which is the subject of this motion.

One cannot ignore the sentiments that exist in Quebec or ignore the process that is actually under way. That process is extremely dangerous and misleading. It affects the vital interests of this Parliament that is the responsibility of not only all members here but our responsibility to Canadians. We should be defending those interests much more than we are doing and defending the legal rights of the people we represent to not see this kind of a process go ahead without our participation.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Madam Speaker, first of all, I would like to know, even though we cannot put a question to the previous speaker rather than to the hon. member for Calgary West, first, what is the national debt per capita, and second, what percentage of that debt is in foreign hands? He will surely have an opportunity to answer those questions when he speaks next.

Instead, I will direct my question to the hon. member for Calgary West, whom I congratulate for his French and for his relatively good understanding of the position of Quebec up till now. For my part, I do understand his position. He speaks clearly.

However, when the Liberal members or the Reform members talk about the legitimacy of the process initiated, I would tell you that in a democratic system, everyone can legitimately consult everyone else and have his say. Our draft bill will only be accepted once a referendum, where everybody in Quebec will have the opportunity to vote for or against it, has been held.

As far as legitimacy is concerned, I would like to remind my hon. colleague of a few processes that we have witnessed in this House and that were not exactly models of legitimacy. When the current Prime Minister of Canada was Minister of Justice and was taking an active part in the unilateral patriation of the Constitution, he said, and I quote from *Le Droit* of November 2, 1981: "The intent of my government is to move ahead with the patriation of the Constitution; and even if there is no agreement with the provinces, we will do it". Even without an agreement with the provinces: talk about a model of democracy!

Moreover, I recall that the Supreme Court had ruled that, all in all, this was legal but unconstitutional. So, I would like to ask the hon. member for Calgary West what he really thinks about it. Does he really believe it is undemocratic, in a so–called democratic system, to consult people about a social vision? I remind him that the majority of the members from Quebec in the House of Commons are sovereignists and the majority of members in the Quebec National Assembly are sovereignists, and people know it.

• (1340)

Mr. Harper (Calgary West): Madam Speaker, my answer is that we have to consult the people of Quebec, federalists as well as sovereignists, and people from outside Quebec too, I think. But we must have a real consultation process where the result is not predetermined and where all the available options are discussed. That is not the case in this process.

I would also like to talk about the repatriation of the Constitution in 1981. Someone said today that that process was undemocratic. Clearly, we do not have enough democracy in Canada today. Every day, Reformers call for direct democracy mechanisms. It is a necessity. However, under the law, the Supreme Court decided that patriation was legitimate. This question was put to the Supreme Court. Obviously, it would not have been legal or constitutional to decide to ignore all the provinces. But, in effect, a strong majority of provinces and their legislatures supported that constitutional amendment.

A government here, dominated by Quebec and the Prime Minister from Quebec decided to adopt that Constitution. Indeed, Quebec did not have a veto then, and still does not have one. And why not? We know why. It is because Mr. Lévesque, before the decision, had renounced his veto in an accord signed with the other provinces. This explains the process by which the Constitution was adopted in 1981.

Mr. René Laurin (Joliette, BQ): Madam Speaker, I would like to make a comment. The reason we have a consultation process is that we want to avoid being blamed for not consulting. Had we asked Quebecers whether they want sovereignty without telling them what it means, we would have been blamed because we had presented an option without spelling out its meaning. In order to avoid being blamed, and rightly so, for such action, the Quebec government decided to explain its proposal, and to give the people an opportunity to amend it. Once people know what they are voting for, they will decide through a democratic referendum whether they are ready to take one last step and say yes to Quebec sovereignty, with full knowledge of the facts.

Mr. Harper (Calgary West): Madam Speaker, on this issue, I am in full agreement with the Prime Minister and my leader. The question that should be asked of Quebecers is this: "Do you want Quebec to separate from Canada?" There are two aspects to that question. The first one is the desire to separate. But a desire is just that, a desire. All details would have to be negotiated afterwards. You cannot table a bill setting forth these details in the National Assembly, because it is outside its constitutional jurisdiction. The second aspect is separation. We know why the P.Q. government prefers the word sovereignty. We have seen the polls. To Quebecers, sovereignty appears less dangerous, less clearly defined. That is why that word is used instead of the real one.

• (1345)

[*English*]

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Madam Speaker, I begin by saying how extremely disappointed I am with my friends in the Parti Quebecois government in Quebec and their Bloc Quebec allies here in Ottawa. I say friends because while I disagree with their main political option, I have always respected them as reasonable and honest men and women.

I expected the Parti Quebecois government would proceed with the referendum on independence but certainly not in this undemocratic manner. Both the proposal that was announced in the Quebec National Assembly the other day and the process are contrary to the democratic principles usually followed not only in Quebec and in Canada but throughout the western world.

The process and the proposition are undemocratic on four grounds. First, the law is being tabled and passed first and then the consultation comes afterward. In other words they are putting the cart before the horse. That is certainly not what is usually done. It is not what we did in this Parliament when amending the law on the goods and services tax. We commissioned a committee which held wide ranging hearings, travelled the country and collected views. Now the government is preparing a law.

We are doing the same thing with the reform of our social security laws. We did the same thing with respect to defence and external affairs. Very important changes are being made to our policies and our laws but first we consult and bring in the law afterward.

Second, the Parti Quebecois government did not get a mandate from the electorate of Quebec in the last election to put forward such a law. It only got approximately 44 per cent of the vote and many of those who voted for the Parti Quebecois voted for them in order to have a change of government.

There are two principal parties in Quebec: the provincial Liberal Party and the Parti Quebecois. Many people were dissatisfied with the Liberal Party and voted for the Parti Quebecois for a better way of governing. That was the slogan that was on the signs: "For a better way of governing", to deal with economic and social problems.

Even among the 44 per cent that did vote for the Parti Quebecois many voted for a better way of government and not for the law that was tabled in the National Assembly the other day. It is true that during the election campaign Mr. Parizeau spoke about a referendum but he certainly did not speak of a referendum that would be preceded by a unilateral declaration of independence.

Third, in discussing the non–democratic nature of these proposals, the regional commissions that the Quebec government intends to set up are loaded in favour of the law and the principles behind the law. The premier of Quebec has invited MNAs from the Quebec National Assembly and members of Parliament to participate in the commissions. Added to those commissions will be other members who will be appointed by the Government of Quebec and favourable to its position. The chairs of those regional commissions will be persons who will not be elected members of Parliament or MNAs but, and I am referring to the words of Mr. Parizeau: "will be people who will be able to build consensus" toward the proposal that he tabled in the assembly.

In other words the goal of the chair or those regional commissions will be to build consensus toward the principle of a unilaterally independent state of Quebec.

The dice are loaded with respect to those regional commissions. They are undemocratic. That is why many groups, not just political parties, will not participate in the regional commissions. Their goal is simply to improve on, to build on, what has already been tabled in the Quebec National Assembly as a draft bill.

• (1350)

Fourth, the process is dishonest and misleading because it pretends to keep the best of both Canada and Quebec. It is a bit like the sovereignty association question in the last referendum in the early 1980s. For example, the draft bill provides for economic union with Canada, for keeping Canadian citizenship, for keeping the Canadian dollar, for maintaining Quebec's position in NAFTA and in NATO, for maintaining Canadian pensions and for maintaining the same territory which Quebec now has, but which it did not have at the time of Confederation.

It is a sort of having one's cake and eating it too, getting out of Canada but remaining in Canada. On those grounds as well the process is undemocratic, confusing and misleading for the ordinary voter and the ordinary citizen of Quebec.

The opening clause of the draft constitution states that Quebec is a sovereign country. That is a universal declaration of independence in the sense that it refers to an entire country. It is misleading for the people of Quebec because all provinces are now sovereign in provincial areas of jurisdiction. It was decided by the Privy Council many years ago that all provinces were sovereign in their areas of jurisdiction just as the federal government is sovereign in its area of jurisdiction.

I want to say a few words about the legality of this process. There is no provision in either the Constitution of 1867 or the Constitution of 1982 for any province to secede unilaterally. No province has that right legally. They no more have that right than would the federal government have the right to expel unilaterally a province from Canada.

Can one imagine if we passed a law in this Parliament and confirmed by the Senate to throw Quebec out or Prince Edward Island or British Columbia out, without going through the process of our amending formula. It would be considered outrageous if we even attempted to do that. Even if the federal government should try to do it with the support of a few other provinces it is unacceptable.

It is unacceptable that any province should leave unilaterally without the agreement of the other provinces because we have come to share so much together. If it requires an amendment of the Constitution to transfer a number of powers from the federal government to a provincial government—let us say to transfer manpower training or pensions or unemployment insurance or other things—then certainly it requires amendments to transfer all of the powers.

There are various views on this, but I would say at the very most for a province to secede it would require the amending formula which states that you need seven out of ten provinces, representing 50 per cent of the population in order to make such an extreme amendment to the Constitution. But at the very least, it would require the consent of the province in question and of the federal Parliament.

Some people would say that we should not talk about the legalities of secession, we should talk about the politics of it. Even politically and morally, the present government of Quebec has no political or moral mandate to introduce and pass the type of law which they tabled in the National Assembly the other day. They got only a little over 44 per cent of the vote and even then all those who voted for them did not support that option.

I understand my time is up. I had much more to say on this subject. However, we should reject this motion before the House today. We should certainly reject the bill that is in the Quebec National Assembly at the present time.

• (1355)

I would recommend again to my friends, whom I respect, that they go back to the drawing boards and come up with something that is more suitable, in accordance with our democratic process and then we can all decide it in a proper way.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Madam Speaker, thank you for giving me this opportunity to speak in this debate. In fact, I would urge all my constituents in Québec–Est, the riding I represent, to take part in the consultation process initiated by the Government of Quebec which, I would like to point out to the hon. member for Notre–Dame–de–Grâce, is an entirely democratic process.

I think we can say that never in Quebec's history has there been a more democratic and more open process to consult Quebecers to find out what they really want. I must say I do not appreciate the use of the word "immoral" by the hon. member for Notre–Dame–de–Grâce in referring to the process initiated by the Government of Quebec.

Mr. Duceppe: He should talk about the War Measures Act.

Mr. Marchand: To imply that this is immoral is an insult to the intelligence of the members of this House.

What is immoral about wanting to consult and wanting to know what Quebecers want, what is wanted by people who have been deceived and whose rights have been violated for over a century? How can the hon. member for Notre–Dame–de–Grâce say that this process has no legitimacy or is unlawful, when this Parliament has for years violated its own Constitution? It has shown no respect for its own Constitution or for the rights of the provinces.

The trouble with Canada was that the federal government failed to respect the rights of the provinces. If at the federal level in Ottawa, we had at least respected our own Constitution, perhaps we would not have the problems we have today, and I am referring to this failure to respect the rights of the provinces and the rights of francophones outside Quebec. Did anyone mention this? Can anyone in this House say that their rights have

not been violated by this Constitution? What about the lack of political will on the part of the federal Liberals, which has been going on for some time, to make Canada's provinces abide by the Constitution?

What I find particularly galling is that the hon. member for Notre–Dame–de–Grâce, who is a member from Quebec, did not say a single word in French in his speech. Is it too much to expect of a member of Parliament for Notre–Dame–de–Grâce to speak French when dealing with a matter of such importance, and I am referring to the sovereignty of Quebec?

I also want to say it is unrealistic to consider a third option, as the Reform Party did earlier, it is unrealistic to consider a third option when we realize that since 1980, every possible avenue has been explored to find an alternative to sovereignty and all attempts in this respect have been unsuccessful.

The Speaker: Dear colleague, I believe that you have about a minute left. You may continue after Question Period, if you wish.

[*English*]

Mr. Allmand: Mr. Speaker, I will have an opportunity to respond to that question?

The Speaker: Yes, you will have an opportunity to respond to the question after question period. As it is now two o'clock, pursuant to Standing Order 30(5), the House will now proceed to statements by members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

• (1400)

[*English*]

CITIZENSHIP AND IMMIGRATION

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, last week I had the pleasure of joining the hon. Minister of Citizenship and Immigration at a special citizenship and reaffirmation ceremony presided over by Dr. John Brooks, a member of the Order of Canada.

I congratulate the Department of Citizenship and Immigration, the Queen Victoria Public School Children's Choir and all the volunteers for putting on such a splendid, well–organized event.

As I was congratulating the new citizens, one individual thanked me for coming and whispered to me: "God bless Canada and please do whatever you can to keep it together".

I was deeply moved by his words. As the son of an immigrant I would like today to echo his words in this honourable House. God bless Canada. I would also like to assure this new Canadian and all Canadians that this government, this party, will work relentlessly to make our country proud, prosperous and above all, united.

* * *

[*Translation*]

REFERENDUM ON QUEBEC SOVEREIGNTY

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, the Quebec sovereignty issue is again at the centre of debate.

In the 1980 referendum campaign, Prime Minister Trudeau said that a "no" to the referendum meant a "yes" to renewed federalism. We know the rest: exclusion of Quebec from the Canadian Constitution, failure of Meech Lake, failure of Charlottetown.

This time, federalist leaders promise a "flexible federalism", at the same time we learn that the federal government refuses to pay $282 million in transfer payments owed to the Quebec Treasury.

The rest of Canada no longer wants to hear about the legitimate demands of Quebec. As for Quebecers, they have had enough of the status quo. The positions are clear. Why the false pretences? Quebecers will soon have to choose between sovereignty and fossilized federalism. We are confident of the outcome.

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[*English*]

OKANAGAN WINE INDUSTRY

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today to salute an industry which has risen from the ashes to become a world leader. I refer to the Okanagan's flourishing wine industry. Today any respectable wine cellar is incomplete without a selection of the very fine vintages coming from the Okanagan Valley.

Among our world class estate wines we include Le Compte Wines, Sumac Ridge, Lang Vinyards, Wild Goose Vinyards and Gehringer Brothers. All have won an impressive collection of international medals for their wines. Many of these wines have been judged the best in the world at competitions such as the Intervin International in New York and the International Wine and Spirit Competition held in London, England.

In the south Okanagan estate wineries floundered with government subsidies but have flourished without government subsidies and government interference. Free enterprise and competition nurtures excellence. There is an important lesson in

the Okanagan wine industry. I salute the entrepreneurs of the Okanagan wine industry and the people of the Okanagan. Indeed all Canadians are justly proud of you.

* * *

JOANNE DAVE

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, it is with great sadness that I rise today to pay tribute to my dedicated executive assistant, Joanne Dave, who passed away last week. She died after suffering severe head injuries in a car accident.

Joanne was a devoted assistant who never accepted an adverse response to a constituent query. She was so dedicated to her job that she would not stop until she got the best possible result for any constituent. She was much more than a highly competent employee; she was also a friend for many years and was always there to assist me in every matter.

Many members in this House who have met Joanne through her work will concur with me about everything I have stated. To her husband Pankaj, her three children Shilpa, Neha and little Chiku, I offer my deepest sympathy. She will be remembered fondly by all who have known her.

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CANADIAN PEACEKEEPERS

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, I know that members on both sides of this House welcome the news that the Bosnian Serb army has now released 55 Canadian peacekeepers detained in the Bosnian town of Ilijas.

If these brave men and women are listening today, I want them to know that Canadians are very proud of the important work being done in this shattered region. We know very well this war could have claimed thousands of lives more if it were not for the Canadian peacekeepers.

We also know the war lords in this conflict would love the UN to pull out of the former Yugoslavia. Canadians are not quitters. We will not carelessly abandon innocent civilians at their moment of greatest need. I ask that all members join me in this salute to the brave Canadians serving in the UN peacekeeping operations.

• (1405)

Mr. Speaker, I thank you and Radio Canada International for your assistance in getting this message to our peacekeepers serving around the globe.

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EDUCATION

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, as Canada moves into the 21st century no field of endeavour is more vital to our continued success as a nation than education.

I would like to recognize the efforts of Canada's teachers throughout our nation at all levels of education. Their vital role in preparing young Canadians to become full active citizens should never be underestimated.

There is an appreciation from most Canadian students and their families of this reality. Today I am pleased to welcome to Ottawa from my riding of London—Middlesex staff and students of Regina Mundi College where I taught at one time. They are a good example of the very important interest that our educators and our youth have in the future of this our great Canada.

* * *

THE LATE JACK ELLIS

Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I rise today to express my deepest sympathy to the family and friends of the late Jack Ellis, member of Parliament for Prince Edward—Hastings from 1972 to 1988.

On Thursday, December 1, Jack Ellis died of a sudden heart attack at his home in Prince Edward County in Ontario. Those of us who knew him as a friend and colleague will know that Jack's public career was one of selfless commitment and fierce pride in his work. His sudden death will leave our community with a profound sense of loss as to the tremendous potential for further service which has been left unfulfilled.

In the Quinte area Jack was a longstanding public figure with a tremendous record of success. Following his retirement as member of Parliament for Prince Edward—Hastings he continued to work tirelessly on some of his favourite community oriented projects and was always a strong voice representing the interests of a region.

Only his commitment to family and his loyalty to his friends had the potential to surpass his devotion to public service. In this sense he was a complete professional with the values that are treasured the most in political life.

There will be a memorial service for Jack tomorrow in Belleville. I know that all members of this House will join with me in extending our most sincere sympathies to Jack's wife Wally, his children, family and friends on their sudden and unfortunate loss.

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[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, Quebec university presidents announced that they will not participate in federal hearings on social program reform. Denouncing the federal project, they said that they agreed with the Government of Quebec, that education was strictly a provincial matter.

Unanimously, Quebec university students opposed the federal reform. They condemned it saying, and I quote: "When they choose a country, students will remember that the federal government increased their tuition fees and their debt load against the will of Quebec".

Yesterday, the National Council of Welfare denounced the federal proposal to create two classes of unemployed, and urged the government not to widen any further the gap between rich and poor.

The Bloc Quebecois demands that the minister go back to the drawing board. He said the reform was prompted by public opinion. Yes, Quebecers and Canadian want a reform, but not the one he proposes.

* * *

[*English*]

GUN CONTROL

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, the justice minister plans to force legal gun owners to register their firearms with the federal government. The majority of constituents in my riding of Cariboo—Chilcotin are strongly opposed to this plan.

Canadians have told this justice minister many times that a gun registry will not work. Legal gun owners have been very responsible in the care, use and storage of their firearms. One constituent of mine, John Ross of 100 Mile House, said: "Past governments have made much ado about the gun control legislation they have passed. In reality, they have only placed additional responsibilities and restrictions on the honest, responsible gun owners".

All a gun registry will do is frustrate legal gun owners and swell the government bureaucracy while leaving criminals untouched.

I call on all Canadians who are against registration and the other unnecessary proposals to write to the justice minister at the House of Commons, Ottawa, Ontario, K1A 0A6, no stamp required.

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HIGHWAYS

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I rise today to urge the government to give serious consideration to increasing support to our national highway system.

Currently of the $5 billion collected as federal fuel tax only about 10 per cent of the revenue is invested in the Canadian highway system. This is simply not enough. More than a third of the 24,000 kilometre national highway system in Canada does not meet minimum standards. Ensuring that the national highway system meets the standards established by the Minister of Transport would result in the creation of 200,000 direct construction jobs as well as a number of secondary benefits for those industries which rely on the road system like tourism and transportation.

• (1410)

Not only will there be economic advantages, I believe the revitalization of our transportation infrastructure will also result in reduced highway fatalities, loss and damage to property, as well as reducing congestion and lowering vehicle operating costs not only in my riding but in ridings across the country.

Again, Mr. Speaker, I urge this House to support the renewal of the national highway system in Canada.

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HUMAN RIGHTS

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, Saturday, December 10 is World Human Rights Day.

[*Translation*]

As Canadians, we can be proud of our contribution to the international community on the issue of human rights and on the development of international standards to which we adhere.

[*English*]

This said, we must also be ever vigilant that our human rights respect international standards and ensure the right of all Canadians to live free from discrimination in this country.

A recent decision of the United Nations human rights committee ruled that sexual orientation is protected by the equality guarantees of the international covenant on civil and political rights, a document which Canada helped prepare and which binds us.

Let us in remembering World Human Rights Day recognize that it is our duty to ensure that our laws in this country are amended to eliminate all forms of discrimination, including any based on sexual orientation.

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EMPLOYMENT EQUITY

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, earlier today the Standing Committee on Finance tabled its report on the first ever pre–budget consultations. As a member of that committee I could comment on several aspects of the report. But as the sole female member I feel compelled to highlight the necessity of understanding the gender impact of budgetary measures.

We recommended a 12 per cent cut in government operations, but will we ensure that the positive impact of employment equity initiatives will not be lost as we pare down our public service? We suggested a 10 per cent reduction in international aid, but will we be sure that our women in development programs are not disproportionately cut?

There are those who say this strategy is too expensive, but I say the government must take the initiative and ensure that systemic discrimination is not perpetuated nor created. We insist on this in the private sector through employment equity legislation. We can expect no less from our government.

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[*Translation*]

CANADIAN PEACEKEEPERS

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, it is with great relief that we learned this morning that the 55 Canadian peacekeepers taken hostage by Bosnian Serb forces two weeks ago had been released. However, we are still extremely concerned about the eventual pull–out of all peacekeepers from Bosnia, at a time when NATO is speeding up preparations for such a move.

If the humiliation the Bosnian Serb forces are inflicting on the international community were to lead to the withdrawal of peacekeepers from Bosnia, it is quite certain that we will face a significant upsurge in fighting. Consequently, we have every reason to fear the impact of such a decision on the Bosnian civilian population which would be completely left to its fate. It is high time for Canada to show leadership and push for the United Nations to be reformed as quickly as possible in order to recover the credibility the UN lost in this horrible conflict.

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[*English*]

FOREIGN AID

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, this House will be asked to vote later today on $1,143,285,750 worth of spending. Five hundred and twenty–seven million dollars of this spending is to help reduce the debts of heavily indebted countries because of multilateral agreements Canada undertook in the past.

Some of these heavily indebted countries are much less indebted than Canada yet Canadian taxpayers are asked to relieve their debts. This is absolutely insane.

I call upon the Minister of Finance to commit to this House that such ludicrous agreements will not be undertaken in the future. Furthermore, will the Minister of Finance abide by the motion passed by the Standing Committee on Finance on December 1 which states that any agreement to relieve the debt burden of other countries is studied by the finance committee prior to the government making any such commitment?

[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, consultations undertaken by the Standing Committee on Human Resources Development, following the minister's tabling of his discussion paper entitled "Improving Social Security in Canada", are being held in Quebec this week.

• (1415)

We learned recently that the Conseil du patronat du Québec had polled its members on the best way to finance post–secondary education. The results of this consultation are published in the December issue of the CPQ newsletter.

We learn that almost three respondents out of four, 74 per cent to be more exact, believe that the federal government should fund students directly through loans and bursaries. This is yet another proof that the social program reform launched by our government truly meets the expectations and aspirations of the population.

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[*English*]

RONALD EDWARD ARMSTRONG

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise in the House today to pay tribute to the late Reverend Ronald Edward Armstrong of Windermere in my riding of Parry Sound—Muskoka.

Reverend Armstrong was killed in a tragic plane crash recently, bringing to an end a life dedicated to the service of others. Besides his work at several parishes in Ontario during the past 30 years, Reverend Armstrong will be remembered for his outstanding contribution to the people on the Island of Bequia, St. Vincent and other Grenadine Islands.

Reverend Armstrong, who founded and directed the Bequia Mission, was instrumental in establishing a school for handicapped children and adults, a workshop for the handicapped and he arranged for the sponsorship of underprivileged children so they could attend school.

Reverend Armstrong was a great humanitarian and a great Canadian. We all share the loss with his wife June, four children and grandchildren.

ORAL QUESTION PERIOD

[*Translation*]

DRAFT BILL ON QUEBEC SOVEREIGNTY

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, in the same disarray as the speakers for the federalist cause,

the Prime Minister tried to minimize the consultation process announced by the Government of Quebec and at the same time confirmed that he did not intend to participate in it. He also mentioned the possibility of the federal government holding a Canada–wide referendum on Quebec's constitutional future.

My question is for the Prime Minister. Does he admit that holding a Canada–wide referendum on Quebec's constitutional future means denying Quebecers the right to decide their own future for themselves?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we want only one thing: a referendum as soon as possible in Quebec, under Quebec's Referendum Act, where they will not play tricks but be honest with the people and ask Quebecers whether or not they want to separate from Canada.

If they do that, we will solve the problem quickly and no longer hear about it. I hope that instead of the unnecessary complications which the Bloc members are now raising, we will take the question seriously and stop talking about the Constitution and separation and all work together on creating jobs and economic growth, which is what Quebecers want above all.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, how does the Prime Minister reconcile what his Minister of Intergovernmental Affairs said about the possibility of flexible federalism with his own statement refusing any constitutional reform?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is not very complicated. Right now, the Minister of Human Resources Development is making a fundamental reform in Canada without changing the Constitution. That is what we want: fundamental reforms.

Enough time has been wasted consulting people for years. We wasted seven years discussing constitutional changes and ended up with exactly the same situation and the federal system we have today. It was wonderful to see Mr. Parizeau say in his statement how we have advanced in Canada. He was talking about the progress Quebec made within the Canadian federation. Why change that? If we could do so well, we will continue to do even better by remaining in the best country in the world, Canada.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, everyone will have understood what the Prime Minister means by flexible federalism: the provinces bend and the federal government invades their jurisdiction.

• (1420)

How can the Prime Minister be indignant and get all hot under the collar about the $2 million which Quebec will spend on consulting its citizens when his own government is getting ready to spend $35 million on tourism advertising to promote his beautiful Canada, $7 million more for promoting Canadian unity and $6 million more for the Privy Council and its federal strategy on the referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, what is absolutely outrageous in the Parti Quebecois's proposal now is that they want to create 15 "yes" committees financed by the state. They proposed having 15 committee members, of whom 13 would be appointed by the party in power and two by the opposition parties. Since they are not confident in their cause, they want the PQ campaign to promote their cause in their ridings to be paid for by the taxpayers of Quebec.

We will go to Quebec and make speeches and it will not be paid for by the taxpayers of Canada. We will tell Quebecers that we do not want trickery; we want the truth, a clear, short, unambiguous question: Do you, in Quebec, want to separate from Canada, yes or no? It is as simple as that.

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INCOME TAX

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, after wasting one year in the fight against the deficit, the Liberals now propose, in a report to the Minister of Finance, to increase the tax burden of all taxpayers by imposing a temporary surtax which could bring in over one billion dollars, to be used to reduce the deficit. By the way, the last temporary tax was the income tax of 1914, which has now been in effect for 80 years.

Will the Prime Minister pledge to reject the proposal made by his members to impose a surtax which would be in direct contradiction with his own election promise not to increase the tax burden of Canadians during the first two years of his mandate?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the committee travelled across the country. It then made recommendations to the Minister of Finance who will review them. When the minister tables his budget in February, we will see which of these recommendations he intends to follow. The remarkable thing about the Bloc members who sat on that committee is that they could not make a single specific recommendation. They shied away from their responsibility to make decisions and recommendations. They speak eloquently, but they do not have the courage to take a clear stand.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, not only does the Minister of Finance not read his letters before signing them, but the Prime Minister does not read the documents tabled by the Official Opposition. If he did, he would know that we made ten specific proposals to implement real streamlining and saving measures to improve the government's finances. I am not talking about measures which would

hurt the unemployed and the poor, but about real saving and streamlining initiatives.

How can the Prime Minister, or his government, consider imposing such a surtax on Canadians who honestly pay their taxes, when this government has yet to act, or even show the political will to recover over $6 billion dollars in unpaid taxes from the wealthiest Canadians? Is this his definition of justice? Is this his definition of fairness?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we said that we will reduce the deficit to 3 per cent of GDP by the end of the third year of our mandate and we will do it.

He can make all the speeches he wants. We have a clear program. It is well documented, it will be met and it will be realized. He will see that we can do it.

* * *

QUEBEC

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the federal government's reaction to Premier Parizeau's draft bill on Quebec sovereignty has been unfocused and even confusing.

The Prime Minister is quoted as saying his strategy is to win the referendum battle but he does not say which referendum, having dismissed Mr. Parizeau's referendum plan. The government seems very reluctant to comment on the illegality or legality of what is proposed or to point out specific flaws in the Parizeau plan.

• (1425)

Section 5 of the draft sovereignty bill states Quebec citizenship may be held concurrently with citizenship of Canada or any other country.

Does the Prime Minister accept this position, yes or no? If he does not, why does he not say so?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Leader of the Opposition has not listened to me a lot over the years. I have always said that they cannot impose a situation unilaterally. Citizenship of Canada will be determined by the Parliament of Canada not by the Parliament of Quebec.

Mr. Parizeau's proposition is funny. He wants to keep all the good things that Canada has provided for Quebec. Quebec should stay in Canada. That is my answer. I am from Quebec and whenever I travel around Canada I am comfortable in every part of the country.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I appreciate the Prime Minister's answer. We had trouble getting that type of answer yesterday and the day before.

The Quebec government has also stated that in the event of a vote for sovereignty in the upcoming referendum, an economic association with Canada would be maintained. Again, the statement is completely presumptuous, without regard for the position which the government and the people of Canada might take on such an association.

Does the Prime Minister concur with the position that an automatic economic association between Canada and a separate Quebec should be assumed? If he does not, why does he not say so?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is not a big problem. It is evident that the people and the Government of Canada will decide. For example, the PQ wants to keep the Canadian currency. Monetary policies will be decided by this Parliament and it will have absolutely no voice. Nobody will be able to get up here and ask the Minister of Finance what is right or wrong with the monetary policies of Canada.

Of course certain countries have used the currency of other countries. Not long ago I discussed that with some French African countries that depend on the franc. When Paris decided to lower the value of the franc used in Africa, it had nothing to say, it just paid the price.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, for the first time in a year I actually think we are making progress in Question Period.

Section 7 of the proposed sovereignty bill states Quebec shall assume the obligations and enjoy the rights arising out of treaties to which Canada is party. This statement is not only presumptuous but also clearly unconstitutional.

The federal government has the sole role to negotiate and sign international treaties and many have their own provisions for who joins those treaties.

Is not section 7 of the proposed sovereignty act beyond the power of the Quebec government? If it is, should not the federal government say so now?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not want to debate what is in this project of law. We can have a long debate on that. The question is a very simple one.

They should have the honesty to ask the Quebec people first: "Do you want to separate, yes or no?". To play games like that will lead nowhere. It is just a sign that they are afraid to be honest with the people and ask a very simple question: "Do you want to separate from Canada, yes or no?".

Some hon. members: Hear, hear.

* * *

[*Translation*]

INCOME TAX

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Prime Minister. Despite a healthier economy and rising tax revenues, the federal government, like the pre-

vious Conservative government, is preparing to add to the tax burden of all Canadians, because it has shown itself totally unable to reduce federal spending, to eliminate unjustified tax privileges like the ones for family trusts and to take whatever measures are needed to collect more than $6 billion in unpaid taxes.

• (1430)

Will the Prime Minister acknowledge that, instead of introducing a surtax that could jeopardize the economic recovery, he should have the courage to end duplication, waste and inequities in the tax system?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, on behalf of the Minister of Finance, I would like to thank the committee and its chairman, the member for Willowdale, for the excellent work done this fall on reviewing the budget.

All members of the committee worked very hard hearing the representations from Canadians. All three parties made an effort to put forward their own ideas. On behalf of the minister, I would like to also thank the other two parties for putting forward their ideas.

The Minister of Finance has made it quite clear that during this process we will not be commenting on any specific proposals from any sources. We will just simply continue our consultation process until the budget is announced in February.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, I have a supplementary question for the Prime Minister.

Does the Prime Minister acknowledge that, by recommending cuts of $3.4 billion in social programs, government members on the finance committee are confirming the government's shameful objective of reducing the deficit at the expense of the unemployed, welfare recipients and students?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, the opposition knows full well that under the leadership of the Minister of Human Resources Development that the process of consulting with Canadians continues. The government will make a decision in the coming year as to how to deal with each of the items in the budget.

* * *

TAXATION

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the finance committee report recommends increased taxes on gasoline, lottery winnings and corporations. Most incredibly, it suggests increasing taxes on income.

Canadians told the committee clearly that they do not want higher taxes. They are taxed to the max. They want smaller government. Reform's proposals show that the deficit can be eliminated by spending cuts alone.

Is the government going to accept the recommendations of its finance committee and increase taxes, yes or no?

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, the hon. member knows as he participated in many of these meetings that we heard a variety of opinions from Canadians concerned about the government, taxes and about the integrity of our programs. The Minister of Finance will take these into account as he makes up his mind.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, today Stats Canada noted that during the last 23 years Canadians' taxes increased nearly 50 per cent while their income remained constant. Now there is the prospect of even higher taxes on gasoline and lottery winnings. The Liberal credo seems to be: If Canadians like it, tax it.

Is the minister seriously planning to raise taxes on the use of cars and the dreams Canadians buy with their lottery tickets?

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, if the member is a great fan of Stats Canada he should be quoting the tremendous rate of economic growth in this country under the leadership of this government.

The member will know full well that everyone is concerned about the high level of taxation for Canadian families, just as we are with the integrity of all of our programs.

* * *

[*Translation*]

PEARSON AIRPORT

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Prime Minister. According to the *Globe and Mail*, in 1990, while he was practising law, the Prime Minister advised the Matthews Group, a partner in the Pearson Development Corporation, on the privatization of Pearson Airport. This consortium is now demanding $440 million in compensation for the cancellation of the airport privatization contract.

Considering his previous professional relations with the Matthews Group, a partner in the Pearson Development Corporation, can the Prime Minister confirm that he has not taken part, since he was elected, in any Cabinet decision concerning the Pearson Airport nor been involved in any way in this issue, so as to avoid any apparent conflict of interest?

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is no issue on that group.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, what is the assurance of the Prime Minister worth, since Bill C–22 proposes a discretionary process to provide compensation for the cancellation of the Pearson Airport contract, which could benefit the Matthews Group he advised as a lawyer?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, never as a lawyer, did I have any discussions about Toronto Airport with any of these people. Besides, I am the one who proposed cancelling this project. Not only is there no conflict of interest, but I am the one who axed the whole thing.

* * *

[*English*]

BOSNIA

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Reform Party caucus and indeed all Canadians welcome the good news of the release of the 55 Canadian hostages held by the Bosnian Serbs. Yesterday the French foreign minister called for a withdrawal of its peacekeepers in Bosnia. This only makes public the growing realization that this is a political, not a military problem and that peacekeepers cannot do their job in the current environment.

My question is for the Prime Minister. Now that Canadians have been released, will the government align with France's position and use this opportunity to withdraw our troops?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, first I would like to pay tribute to the soldiers who acted with calm and courage. They know they are involved in an extremely important mission which is to help the poor civilians who are trapped in this terrible situation by providing them with food, medication and so on.

I was at a discussion in Budapest. The situation is very bad. The President of Bosnia was pleading with me to try to keep our troops there because they are considered the best. Canada has no political interest in the area. I said to him that our interest was not political, that our interest was in peace and to help the civilian population.

We have a mandate until the month of February. In January cabinet will review that. I would like to point out that we had debates in this House of Commons. Members of the House were consulted and the great majority were in agreement that we should be there to help the civilian population. We will review the situation in January. Of course not only Canada has troops there. There are others and we have to consult them too.

I have to say again that we are all very proud of the way the Canadian soldiers behaved. I was delighted to hear the President of Bosnia tell me that the Canadians are the best there.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, in reaction to the French government's call for a withdrawal of peacekeepers from Bosnia the Prime Minister said: "Probably they want to reassure their own people". Those are the Prime Minister's words.

I ask the Prime Minister: Does this government wish to reassure Canadians now that the hostages are free by moving to withdraw our troops?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said that it is very important for everyone to plan to make sure that if there is a situation, for example the lifting of the embargo, we said we were to go. If there were to be some other disastrous situation we have to have a plan ready to make sure our troops can be evacuated. We have been working on that for many months.

We have been in contact too with NATO and the UN to make sure the plans are ready if evacuation is needed. I hope it will not be needed, but it is very good to do the planning now in case we have the need later.

* * *

[*Translation*]

MIL DAVIE SHIPYARD

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, my question is for the Prime Minister.

The MIL Davie shipyard, the only other bidder for an important Hibernia contract, has clearly been wronged by the Hibernia consortium's decision to award the contract to Saint John Shipbuilding without a call for tenders. The Canada–Newfoundland Board, the Minister of Natural Resources and the Prime Minister have all admitted that. The Hibernia consortium has itself ignored the Prime Minister's directive by flatly refusing to review its decision.

• (1440)

How can the Prime Minister explain that, despite the clear directive issued by him to the president of the consortium, Mr. Ken Hall, Hibernia has refused to redress the injustice to which he has himself so strongly objected?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I made a complaint last week. I was in Newfoundland yesterday. The people who had been awarded the first contract lost it for productivity reasons.

I think the company should not have acted in this way. I have said it clearly, but since we own only 8.5 per cent of the company's shares, we cannot force it to change its decision. I

still think it is a bad decision for both the Newfoundland shipyard and the Quebec shipyard.

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, how can the Prime Minister admit to his inability to force Hibernia to respect his decision when the federal government is investing over $3 billion of taxpayers' money in this risky venture?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I said earlier, the Canadian government has funded 8.5 per cent of the total project.

* * *

[*English*]

SHIPBUILDING

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, my question is for the Minister of Industry. Will the minister ensure that federal contracts for new ships and the major repair of ships are done in an open, transparent manner? Will all interested parties such as private companies and those owned by subsidized provinces be required to compete by rules as set forward in the proper business supplier–customer manner?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I can assure the hon. member that first, it is the government's policy where it does have shipbuilding requirements to meet them from Canadian yards. Second, as the Prime Minister himself has stated very clearly in this House and elsewhere, that should be done through a clear, transparent, open bidding process.

* * *

ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, my question is for the minister responsible for ACOA.

The country is on its knees financially and the minister stands on a soapbox in Atlantic Canada making noises about ending ACOA's role in handing out grants. Yet at the same time he says ACOA will be involved in providing venture capital to businesses, a function already performed by the Federal Business Development Bank.

Can the minister explain how this move will serve to level the playing field for businesses in Atlantic Canada when it is clear to everyone that taxpayers' dollars will be spent foolishly through a political body?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I was anticipating an apology from the hon. member today. Yesterday in a press release he made the ridiculous suggestion that a linkage may exist between a third party contribution to Liberal election campaigns and the receipt of ACOA assistance. I want to say to the hon. member that is patently false. I hope he will do the honourable thing and apologize to the minister of fisheries and myself when he joins his feet in a moment.

With regard to the question he has asked, the Atlantic venture capital fund we are proposing is to be done in co–operation with provincial governments as well as the private sector.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, am I supposed to join my feet now?

I do not think this government gets it. In 1992–93 alone ACOA wrote off over $50 million in bad debts. When will these Liberals learn that governments know very little if nothing about running business? Does the minister know the difference between a grant and a loan that is not repaid at taxpayers' expense? If these loans are all going to be repaid, why not let FBDB or the banks fill the role? Why do we need two government agencies to provide the exercise?

• (1445)

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I thought if the hon. member would join his feet perhaps now he can keep his mouth shut.

The fact of the matter is, Mr. Speaker—

Some hon. members: Oh, oh.

The Speaker: I would encourage all hon. members to address others with a little more respect on both sides. I call on the hon. minister of public works.

Mr. Dingwall Mr. Speaker, as I said in my first answer, I was anticipating an apology because of the assertions that the hon. member made.

The House should be aware that the reference to the minister of fisheries and myself is patently false. The House should know that when the chief of staff of the office of the leader of the Reform Party ran in the last federal election, he received from a contributor not one, not two, but $8,000 from Clearwater Fine Foods. That particular company received financial assistance from ACOA both before and after the election.

I think the hon. member owes the House an apology.

The Speaker: Both the questions and the answers are ranging far afield today.

* * *

[*Translation*]

CUSTOMS BROKERS

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, my question is for the Minister of National Revenue. The Department of National Revenue is about to implement, in January 1995, new regulations which will penalize the small customs brokerage

firms. They will require surety bonds of up to $10 million for the goods they clear through customs.

Given the very negative impact of that decision on the existence of small customs brokers, does the Minister of National Revenue intend to answer their demands in the near future?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the problem relating to the failure of these customs agents to which the hon. member referred is a serious one because the moneys they take in which are due to the Government of Canada is lost in many cases when the companies go bankrupt.

In addition, there are some major problems with respect to the amount of capitalization that some of these companies have. This means that assets are very few and slight even though the individual who may own the company may have other assets of considerable worth.

We have therefore instituted, in co–operation with the Association of Customs Brokers, a new scheme to provide adequate insurance for those who might be faced with financial difficulties. This scheme has been accepted by the association and accepted by the department. I believe it is a beneficial scheme to make sure that the problems that arise, in particular for the customers of customs brokers, will not reoccur in the future.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, the minister knows very well that members of that association, including the large American companies, have the right to one vote for each office they operate in different districts. Therefore, the process is totally undemocratic.

Does the Minister of National Revenue recognize that if the proposed regulations were to be implemented in their present form, it could force several small independent customs brokers out of business and that would mean several thousand jobs lost for Canadians?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, when new measures are introduced with respect to insurance provisions it is always possible that some people will be in such financial position that they will be unable to obtain insurance, whether through their association or outside it. That is a possibility.

However, I would assure the hon. member that the system put in place was developed by the customs brokers. We are attempting to assist so that there will be some self–regulation and self–policing in the customs brokerage industry. Therefore the risks to the public of Canada and in particular the risks to the individual customers of customs brokers will be dramatically reduced.

• (1450)

GOVERNMENT EXPENDITURES

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, section 8 of the public accounts details an endless list of payments made to interest groups, everything from $73,000 for fashion design to $54,000 for World Food Day Association.

The government has been in power for over a year but it has made no cuts to interest group funding. Thirteen months later, $50 billion deeper in debt, and the government still has not made any announcement.

Will the President of the Treasury Board please tell the House and all Canadians why we still have not had any cuts to interest group funding, and when will he act?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the answer I give is similar to the answer that the finance minister and the parliamentary secretary have given.

This is all part of the process leading up to the budget. In fact, it is part of the program review process. Special interest group funding, I can assure the hon. member, is under examination, as is every program and service, as we attempt to get our spending in line, to get our deficit down to 3 per cent of GDP.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, Canadian taxpayers are upset, the Reform Party is upset, even Liberal backbenchers are upset about the gross waste of taxpayers' money.

Why is the President of the Treasury Board not upset about this waste of money? Why is he not acting now rather than waiting for the budget which is several more months and several hundred million dollars later?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, while my hon. friend and the third party is talking about the matter, we are acting. The matter is fully under review. Consultations are going on with various departments on all aspects of spending, including interest group funding.

* * *

CRTC

Mr. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, my question is for the Minister of Industry. He will no doubt recall that a recent decision by the CRTC to allow for a rate increase in local telephone rates by provincial companies may result in a $72 a year increase for local subscribers.

That decision is being appealed by marketplace competitors. But it is important to understand that such a decision by a non–elected body constitutes a de facto tax imposition, especially on those who are little able to meet such costs and who

rely on these telephones for safety, for social security and social contact.

Is the minister going to do something about this, and how soon?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as the member indicates, a number of groups have appealed the decision of the CRTC–9419. They petitioned the governor in council to review that decision.

It is under consideration by me. I will be making recommendations to cabinet in due course with full consciousness of the implications involved and the time that the decision will take effect.

* * *

[*Translation*]

ETHICS

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Health.

The minister has still not seen fit to speak to the Director of the Bureau of Veterinary Drugs following the interventions of his official with some members of Parliament. Acting as a lobbyist for some pharmaceutical companies, Mr. Ritter still has access to the Health Canada office and the minister has not yet responded to that.

Will the minister finally admit that Mr. Ritter is indeed in conflict of interest under sections 6(*a*), 6(*b*), 26, 42(*b*), 42(*c*), and so on, of the Conflict of Interest and Post–Employment Code for Public Office Holders, and will she immediately take the disciplinary action necessary to correct this unacceptable situation?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, as I said in the House yesterday, my officials continue to look into this question. When their investigation is complete, they will be reporting to me. I will be pleased to share the findings with the hon. member.

• (1455)

I want to clarify a few points. The person in question is not on leave as the director of the Bureau of Veterinary Medicine. He will not be returning to that position if and when he returns to Health Canada.

As concerns the review process for BST, scientific considerations are absolutely the only thing that will have any bearing on the approval process.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my supplementary question is for the Prime Minister.

Is the Prime Minister willing to do what the Minister of Health should have done a long time ago, that is to immediately apply section 33 of the Code which provides for disciplinary action, including dismissal of officials in conflict of interest, if appropriate?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I have said and I will repeat again that the officials in my department are reviewing the situation. When they have finished their review they will report to me and I will be pleased to share the findings.

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THE ENVIRONMENT

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, in 1990 in Fredericton, New Brunswick, gasoline from a leaking Petro–Canada underground tank migrated under the neighbouring house of the Curtis family.

The gasoline fumes in and around the house during the past four years have caused the Curtis family to lose their home, lose their family business and most tragically of all, it has caused permanent mental and physical damage to the Curtis' seven year old daughter.

What is the environment minister prepared to do about this environmental and human disaster?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, bearing in mind the sensitivity of the issue and the fact that obviously the brain damaged child is in very serious condition, what I would like to do is take a look at all the circumstances and report back to the House.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I appreciate the minister's answer.

My supplemental is for the Minister of Natural Resources. During this four–year nightmare for the Curtis' Petro–Canada has treated the family like criminals. When the spill occurred in 1990, Petro–Canada was a crown corporation and is now a company in which the government owns over 70 per cent of the shares.

Does the minister condone the bullying manner of Petro–Canada and will she intervene on the Curtis' behalf to ensure Petro–Canada is financially responsible for the additional medical treatment and care required for the Curtis' daughter?

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, I do not condone bullying, if that is what happened in this case. I do not know whether that is the case, but I assure the hon. member that I will take this matter under advisement. I will investigate it and report back to him and this House.

LATIN AMERICAN SUMMIT

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, my question is for the Prime Minister who tomorrow will be attending the Latin American summit in Miami.

I want to ask the Prime Minister if he will assure the House that at the summit he will raise two specific issues. First, will he raise the issue of the exclusion of Cuba from the summit and the continued illegal and immoral blockade by the United States of that country.

Second, given the very critical situation is Chiapas, Mexico will the Prime Minister urge at the summit an open dialogue and a peaceful, negotiated, non–military settlement in Chiapas?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, on the question of Mexico we have already mentioned many times to the authorities there that we want them to negotiate a settlement with the people of that province. I am informed that the dialogue is going better than it was some months ago. But I will press the issue with the newly elected president if I have the occasion.

As far as Mr. Castro and Cuba not being present are concerned, we would have had no problem seeing him there. It was decided that he was not to be invited and I was not the one inviting people to that summit.

* * *

IMMIGRATION

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, my question is for the minister of immigration.

The minister of immigration recently announced that it was the intention of the minister to increase the number of business class immigrants coming from India.

• (1500)

My concern is that according to a story in the *Globe and Mail*, this increase will come from around Bombay and will not include areas such as Punjab. This situation is of grave concern to the many constituents in my riding of Indian descent. What is the basis for the new business immigration strategy?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, with respect to the immigration plan that this government tabled on November 1, two key operative measures describe our business immigration: first, to promote it aggressively in a balanced way across the globe; second, to diversify. Seventy–five per cent of all business immigration comes from Asia and we think that is good, evidenced by the recent trip by the Prime Minister and a Canadian delegation.

However, we would also like to diversify in other areas of the world that would like to take advantage of the business immigration program. We identified such examples as western Europe, eastern Europe and the Middle East.

With respect to India, we all know that the majority of immigrants are coming from the Punjab through the New Delhi office. Other countries of the world are also in southern India.

It is not a question of simply excluding individuals, it is also being present in southern Indian where I think the recent trip of the minister of trade showed that Canada could reap some tremendous economic benefits and also continue to have the programs through New Delhi servicing Indians who wish to make Canada their home.

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[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I rise with the customary question for Thursday. Would the government House leader tell us what the order of business will be until the end of this session?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Madam Speaker, today we are going to continue with the Bloc opposition day and there will be votes on supply at 5.30 this afternoon.

Tomorrow we are going to call third reading of Bill C–51, the grain bill, and Bill C–56, the Environmental Assessment Act amendments, followed if possible by report stage of Bill C–52, the Department of Public Works and Government Services reorganization.

On Monday we will take up where we left off on Friday and follow this business with report stage of Bill C–44 with respect to immigration. On Monday as well we expect to introduce legislation regarding employment equity. We intend to propose that this bill be referred to committee before second reading pursuant to Standing Order 73(1).

This will both meet the legislative requirement for a parliamentary review of existing legislation and provide the House with the most broad possible opportunities for updating the law on this matter. Subject to progress on other legislation, we would like to add this matter to the business for Tuesday.

On Wednesday we intend to deal with report stage of Bill C–53, the Canadian Heritage reorganization bill. On Thursday we will deal with third reading of that bill.

That completes my weekly business statement.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—PROCESS INITIATED BY THE GOVERNMENT OF QUEBEC

The House resumed consideration of the motion.

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Madam Speaker, I want to reply to the member for Québec–Est who questioned my remarks just before Question Period.

The hon. member said that he and the Quebecois people were insulted by my remarks which attacked the Parizeau proposals as undemocratic.

I want to make it very clear that I made no attack on the people of Quebec, whom I respect. My remarks were directed at the Government of Quebec and the Bloc Quebecois. Neither the Parti Quebecois nor the Bloc Quebecois is one and the same as the people of Quebec, although sometimes those members believe they are.

I said that the Parizeau proposals were not democratic because first, they were putting the law on independence before the National Assembly first and they were going to consult and have the referendum afterward. Second, they had no mandate from the electorate because they only received 44 per cent of the vote.

• (1505)

Third, their regional commissions were structured to favour the independence option and were not neutral. Fourth, the proposals were fuzzed, unclear and misleading.

As to my use of French in this House, when I speak in Parliament I usually use my mother tongue which is English, which is my right.

[*Translation*]

When I talk with my constituents, I use their language, whether French or English, and that is my right also.

Mr. Laurin: Madam Speaker, on a point of order! We were of the opinion that the hon. member had a minute left when he was interrupted for question period. At that time, the Bloc Quebecois member had the floor and the Chair said he would let him finish and allow an answer from the hon. member for Notre–Dame–de–Grâce. But you went directly to the answer, without giving the minute to our party.

The Acting Speaker (Mrs. Maheu): The clerk will correct me if I am wrong, but I had understood that there was one minute left for the answer of the government member. I will give the minute left to the hon. member for Québec–Est.

Mr. Marchand: Madam Speaker, I want to go back to what I said earlier about the statement made by the hon. member for Notre–Dame–de–Grâce because I find it insulting for all members of this House when he says the Quebec referendum was unethical.

How can he, who was a member of the Trudeau cabinet, say that a process such as this one was unethical? In 1980, Mr. Trudeau came to the Paul Sauvé Arena and promised Quebecers he would amend the Constitution. Then he deceived Quebec by limiting its powers and creating the problems we have now.

Not only that, and I will conclude with this, the hon. member was also part of the Trudeau cabinet in 1970 when—

[*English*]

Mr. Allmand: Madam Speaker, not only was I not in the Trudeau cabinet at that time, but I voted against the Constitution of 1982.

Ms. Judy Bethel (Edmonton East, Lib.): Madam Speaker, I am sure that many Canadians watching the events of the past two days must be experiencing a deep and visceral reaction as the new Government of Quebec and its separatist allies in this Chamber finally launched their desperate push to realize their dreams and tear Quebec out of Canada.

Some Canadians must be feeling a sense of concern and anxiety about the future of a country we cherish. Some Canadians must be feeling a sense of dismay, of déjà vu. Are we ever going to put these issues behind us or are we condemned to regular flare–ups of a national unity crisis like a bad toothache?

Some must be feeling deep frustration, a sense of wanting to get involved, to have a say, to make a difference. The frustration comes from seeing the separatist politicians trying to hijack a great and successful country. The frustration comes from having to hear the kind of nonsense spouted by the separatists, nonsense about how simple and easy separation would be, nonsense about how Canada does not work and especially nonsense about how Canadians in other provinces feel about Quebec.

The separatists are already presenting us with a wide array of distortions. Their rhetoric will get louder and louder and more and more extreme as they draw closer to their day of reckoning. They will be trying to tell Quebecers there is no place for them in Canada, no recognition, no accommodation. They will be telling Quebecers other Canadians want them to leave or no longer care one way or the other.

They will ignore the nearly 1 million francophone Canadians who live outside the boundaries of Quebec, whom they intend to cast overboard, to sink or swim.

• (1510)

They will be telling Quebecers our partnership has reached a stage of irreconcilable differences, that it is time to divvy up the assets and to get on with our separate lives. They will be telling Quebecers it would be a painless breakup, while telling the rest of Canada that we cannot get along anymore, but by the way, we will still need the use of your dollar and open access to your markets.

It is hard to know how to react, to laugh at the absurdity and the contradictions of the separatist project, to cry at the tragedy of so much talent, time and energy being wasted chasing a totally unnecessary leap into the unknown, or to get angry at the dishonesty and the contempt that permeate the separatist arguments.

There is so much that is absurd, the prospect of soldiers in the new Quebec army lining up to be paid in Canadian dollars, the idea that Quebec needs independence to choose its own immigrants side by side with promises by the PQ of unrestricted mobility of labour with the rest of Canada.

It is strange to hear the lamenting about how there is no room for Quebec in Canada when we can look around this city and see Quebecers occupying the highest offices this country has to offer. It is strange to hear Mr. Parizeau vaunt the accomplishments of Quebec at every opportunity, waxing eloquent and quite rightly so about the social, economic and cultural progress Quebec has made these past 30 years.

He does not even blush and acknowledge that all of that progress took place inside Canada. It came through hard work and partnership between Quebecers and other Canadians and through partnership between two levels of government. It is strange to hear the separatists denounce the rigidities of a system that gave Quebec so many tools and the French language and culture a secure home.

There is much that would be saddening if the separatists ever had their way, the dismembering and discarding of a model of governance that points the way to the world of the future. The future does not belong to microstates, it belongs to partnerships of communities sharing their sovereignty to pursue a better life for their citizens.

It is sad to see the separatists' headlong race back into the past. There is much to provoke anger. The separatists will denigrate and belittle accomplishments of Canada. They will play fast and loose with the truth. They will show contempt for anyone who does not share their vision or their zeal.

To laugh, to cry, to get angry, I urge my fellow Canadians not to give in to an emotional reaction, to realize what is going on here. This is the beginning of an increasingly desperate and panicky assault by the separatist movement. They have one shot at making the case to break up Canada. They know deep down they carry an enormous burden of proof and it is starting to rattle their nerves. As they get more and more rattled, they are desperately trying to put their opponents on the defensive and it is not going to work.

There is an overwhelming consensus that it is time for Quebecers to make a decision. In 1995 we will come to a fork in the road and we will take one path or the other. It is that simple. The stark clarity makes some people uncomfortable. That is understandable, but there is no longer any use denying that the fork in the road is here in front of us.

I share in the consensus that the time has come for a decision, but I want that decision to last and to be accepted gracefully by the separatists. For the decision to stick it must be seen by Quebecers and by Canadians in every other province as a clear result on a clear question after a fair and full debate. It should come at the end of the process used twice before, the Quebec referendum law. That is what the Parti Quebecois promised in order to get elected, albeit by the narrowest of margins. That is what it is morally and politically obliged to deliver now.

The resolution is misleading because it ignores the reality that Quebec's future is Canada's future, that after two centuries of partnership, of building a political, social and economic union together, Canadians in other parts of the federation would be indifferent or unaffected by a decision by one–quarter of its members to leave.

Other Canadians have a right to talk with Quebecers about that decision, about the options they have. We want Quebec to stay. We want to get back to what all of us Canadians do best, working out practical solutions to real problems, innovating and adapting, bending and compromising, adjusting and changing. We have always found the ways to live together, to work together, to build together. We have found ways to acknowledge and indeed to cherish our differences and at the same time realize how much we share. We have had a successful federation in this country for 127 years. We have woven together an economic union, a sharing social community and a democratic political union so well that too many of us have forgotten what we have to lose.

• (1515)

Why federalism? It is disarmingly simple. Federations allow communities to come together under peaceful and democratic political structures to share the benefit of social and economic co–operation while retaining the very high degree of local control over issues that matter most to local communities. It is a simple idea like most great ideas. It is an idea that has worked in societies that are on the surface relatively uniform, societies like Germany, Australia, and the United States.

It is a particularly important idea in societies where communities based on language, religion or ethnicity live side by side, societies like Switzerland, India and, yes, Canada. It is a great idea but it is constantly under attack. All over the world there are politicians who promote difference, who offer people false hope

that their lives would suddenly improve if walls went up with other communities.

Some of them sit in this Chamber. Federalism gives local communities the scope to exercise control over many aspects of their lives, especially in matters close to the cultural vitality and the social development of the community.

Federalism enables communities to co–operate with their neighbours and to work together in pursuit of common goals. Federalism is a way to pool resources, talent and energy in pursuit of these goals. Federalism provides a framework of peace, order and security and allows communities and individuals to live side by side.

Federalism creates a common identity and a purpose that can transcend differences without replacing local identities and local communities. Federalism provides the structures of an economic union but places them under the control of a democratic legislature. Federalism provides the basis for a sharing community, for a redistribution of wealth from richer to poorer regions and from richer to poorer citizens.

Federalism allows minority groups to exercise democratic control over their communities and to tailor laws and government services to meet their own needs and preferences while at the same time exercising a powerful voice in the legislature and executive that serves the community as a whole.

It is true that some of these benefits can be realized by partnership between small and independent nation states. Around the world there are military alliances, trade agreements, various forms of co–operation and mutual assistance but a closer look shows there is a common striving in many parts of the world to move beyond security pacts and free trade.

The extra element to the sharing community and democratic control over matters of common interest are the bonds that are the most difficult to forge and the most vulnerable to being cut. A successful federation is a whole that is much stronger than the sum of its parts.

It involves at least two or maybe three strong levels of government and a natural tension between them. It involves disagreements and compromises. Running a federal system of government is a noisy, sometimes messy, affair. Sometimes it is frustrating, especially to those who seek quick fixes and bold dramatic gestures.

The Acting Speaker (Mrs. Maheu): I am sorry. The hon. member's time is up.

[*Translation*]

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Madam Speaker, the debate that is taking place here today is historic and I expected a higher level of debate from the other side. I see that our colleagues opposite consistently select for their statements examples and quotes that support their position, while omitting examples and quotes that are unfavourable to it.

For example, this morning, the Minister of Intergovernmental Affairs went through newspapers from coast to coast, he said to show how editorial writers were all against the sovereignist solution that we are advocating. Except that one article in *Le Devoir*, which is also somewhere between those two coasts, as far as I know, and on the front page, which is hard to forget—

• (1520)

The Acting Speaker (Mrs. Maheu): Order. The hon. member must respond to the comments of the member for Edmonton East.

Mr. Mercier: I am getting there, Madam Speaker, but since we are discussing generalities, it all takes time.

The hon. member gave a general defence of the federal option, and my answer was that the general arguments we have heard lack consistency. May I proceed, Madam Speaker?

The Acting Speaker (Mrs. Maheu): All right.

Mr. Mercier: So I think that should interest the hon. member. In Ottawa, according to Jean Dion's article, the first salvos that were fired stressed the undemocratic nature of the Parizeau plan. It is all very convenient, now that the government is headed by Jean Chrétien, a man who does not want to talk about the Constitution, so that the federal government can no longer argue, at it did in 1980, the case for renewed federalism to accommodate that unruly province. This deals with the objections we just heard.

Next, in a reference to prosperous federations, they say: Switzerland is prosperous, but the USSR was not. Brazil is not. Russia is not. These are federations, which proves that a federal system is no guarantee of prosperity.

Third, who or what determines the quality of our lives, Madam Speaker? People, Canadians and Quebecers, not the federal system, determine our standard of living. I am told this country has the highest standard of living in the world, Madam Speaker. When you cut a cake in two, are the two halves smaller than they were before? Not as far as I know.

For instance, Norway and Sweden were one country until 1904–05, when Sweden accepted Norway's separation. Did Norway and Sweden become impoverished after they were separated? They are among the most prosperous countries mentioned.

What about the G–7? They say we will not be part of the G–7. Well, we could not care less, because you do not have to be big to be prosperous. The Grand Duchy of Luxembourg, with a popula-

tion of 300,000, has an unemployment rate of 2 per cent. We would not mind that.

That being said, I remain convinced that sovereignty is the best choice for Quebec's future, and I invite the people of Blainville—Deux–Montagnes to take an active part in the debate that starts today.

[*English*]

Ms. Bethel: Madam Speaker, there are several aspects that I would like to respond to. I want to make it absolutely clear that we are not defending federalism. The record of federalism in this country is clear to all Canadians.

The hon. member talked about the quality of people. I think that is where federalism's greatest gift lies. It does not matter in this country which province we live in, which city, which community, which neighbourhood. This country cares for all of its people.

We have provided education, social programs and economic prosperity through good times and bad times. We do not determine that on where we live. It is available to all citizens. Those who live in the inner city of Montreal are feeling the same pain as those who live in Edmonton East inner city neighbourhood. Federalism can deal with that in a fair and equitable manner.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Madam Speaker, I am particularly pleased to debate this motion on the legitimacy of the consultation process on Quebec sovereignty, released this week by the Right Hon. Premier of Quebec, Mr. Jacques Parizeau.

Mr. Parizeau is known for his honesty, his candour and his humanity. He has a reputation for saying what he is doing, and exactly what he says. He is proving it this week, intelligently, skilfully and competently.

• (1525)

We are proud of Mr. Parizeau. We can only be proud of our Premier and glad to be associated with such an exciting process, a highly democratic process.

I have been an avid observer of the political scene from a very early age, but especially so since 1987. I followed with interest what led us to the Meech Lake Accord. This accord was the last attempt of our fellow Quebecers who still believed, then, that Quebec had a place within the Canadian Confederation.

It was also the last attempt to make up for the affront perpetrated by the present Prime Minister of Canada and his team, in 1981, during the night of the long knives, which led to the unilateral patriation of the Constitution. That was, to use some now famous words, the last attempt to make Canada whole, to have federalist Quebecers sign the Canadian Constitution with honour and enthusiasm.

I lived through the second phase, the one which led to the failure of Meech. I observed it closely, but with much sadness, especially when the report of the special committee studying the proposed companion resolution to the Meech Lake Accord, better know as the Charest Report, was published.

The Charest report, named after the member for Sherbrooke, reduced to next to nothing what was already considered as the bare minimum, the entrance door allowing Quebec to try, one last time, to take its place within the Canadian federation, a springboard for Quebec to get all the powers, all the tools it needed in the areas of social programs, the economy and also culture.

The tabling of this report burying the Meech Lake Accord sadly put an end, an emotional one for most of my fellow citizens who still believed in that country, to a saga which had started with the "beau risque" as a hopeful initiative.

Quebecers remember this report tabled by the present member for Sherbrooke who was then minister responsible for the committee which really killed the Meech Lake Accord.

Those were days of sadness, emotion, and grief for me, but I was proud of what happened after. I was very proud to see MPs from Quebec, seven of them at the time, who were eventually joined by an eighth one, the member for Saint–Hubert, resign because they disagreed with the government foiling the final attempt, putting an end to the "beau risque". They took a stand and I take this opportunity to salute them.

Some hon. members: Hear, hear.

Mr. Loubier: They took a stand and all Quebecers were proud of them. They stood up against this attempt by Canadian federalists to enslave a whole people, my people. I repeat, the member for Sherbrooke was there among them, and the present Prime Minister was in the hallways with his walkman, and often with a walkie talkie, to give instructions, in order to block the approval of any distinctive status, or to put an end to any attempt to give a distinctive status to Quebec.

Among the eight who stood firm, who fought to the end for the interests of Quebecers and also to preserve their dignity and pride, there was the present Leader of the Opposition, our leader and friend—my best friend. I want to extend my affectionate greetings to him and his wife, Audrey, and his two children, Alexandre and Simon. He is the reason why, at the time, I was moved very positively by what was happening, because the Quebec people had just acquired a great leader. Quebec had just acquired a new leader, who was standing firm with six of his colleagues, and later on with a seventh one. We are proud of that.

• (1530)

After that, Madam Speaker, as you will recall, there was a lot of constitutional turbulence and commotion. Remember the Beaudoin–Dobbie report, the Beaudoin–Edwards report, the Spicer commission and Charlottetown. These documents were supposed to fulfill the aspirations of Quebecers, after they were betrayed by the rejection of the Meech Lake Accord.

We took part in all these debates. We are sovereignists, but we took part in all these debates. Why are Quebec federalists, the Leader of the Opposition in the Quebec legislature, including federal members from Quebec, Liberals and others, refusing to discuss ideas, to discuss federalism, while we took part in all federalist debates which led to the adoption of those reports aimed at one thing only. They were a smoke screen used to make Quebecers believe that a reform, even the slightest reform, was possible so they could have their place, a real place which they would be proud and honoured and willing to occupy.

Why do federalists refuse a process which is eminently democratic, open, allowing for the exchange of ideas, like the one announced by the Premier of Quebec? Why? Because they are afraid. They are afraid of their ideas because it is impossible to defend a rigid status quo that prevents the normal economic, social and cultural progress of the people of Quebec. During Question Period, I heard the Prime Minister say that it is within Canada that Quebecers have developed. Acutally, we have done so despite Canada.

Remember all the efforts and energy we have had to spend since 1964, the days of Jean Lesage, in order to patriate powers that we considered essential to our development. Madam Speaker, look at what we have been doing in the last seven years in particular. We have done nothing but that, try to develop, try to develop employment, to stimulate our economic growth with powers which are presently in federal hands and which Quebec is being denied. Is that what you call harmonious development within the federal system?

No. If Quebecers have become what they are today, if their businesses are so dynamic and their workers so skilled, it is because at one point in time we decided to take charge of our own affairs despite all opposition and despite the federal system that tried to paralyse us, to keep us down and even to use force to prevent us from developing our collective wealth.

Remember Bill S–31. There was the Bélanger–Campeau Commission. We also participated in the Bélanger–Campeau Commission. And if I have one reason, as an economist, to be proud of the work accomplished there, it is for one particular aspect of it: it put an end to all the economic bugbears and showed us that Canada's threat, not to allow Quebec goods and services into Canada, was empty.

With Ontario alone, the net balance of trade between Ontario and Quebec is over $3 billion; that is, Ontario sells Quebec $3 billion more of goods and services than Quebec sells Ontario. Would Ontario close its border? Bélanger–Campeau stifled this kind of nonsense. It also put an end to scare tactics like saying Quebec would lose its milk production.

When even the president of the UPA contradicts the current Leader of the Opposition in Quebec, who said "You will lose your quotas, and your share of milk production", that is something. So, I would urge you and every citizen, regardless of ethnic origin, language and political affiliation, to take part in this democratic process. I am sending out a special invitation to the English–speaking community. I would have a short paragraph to read them, if I may Madam Speaker, in their language.

[*English*]

"Anglophones and francophones of Quebec are still democrats and it is as democrats that I invite you today, most sincerely, to take this friendly hand we are extending to you, to help solve the question of importance to you and to join with us in building together the kind of country that we want to live in. Do not forget the future of Quebec is yours. The future and prosperity of Quebec is also in your hands. I am asking you not to remain on the sideline of your evolution and participate in the process proposed by the prime minister of Quebec".

[*Translation*]

I also send out a special invitation to the people of my riding of Saint–Hyacinthe—Bagot to participate in this eminently democratic process, as well as all interested organizations and individuals throughout Montérégie.

• (1535)

Mr. Benoît Serré (Timiskaming—French River, Lib.): Madam Speaker, I have been listening with interest to this play that the Bloc Quebecois has been performing for us since this morning. The problem is that I still do not know whether it is a tragedy or a comedy. It may be a tragicomedy.

The draft bill proposed by the separatists is a monumental deception. The Bloc Quebecois should be ashamed of associating with this undemocratic process.

I always felt that the leader of the Bloc Quebecois was a great democrat and I am convinced that, from his hospital bed, he must be upset by the PQ flouting the democratic process in Quebec. He must also realize that the PQ has just made a strategic mistake that will cost the separatists dearly. This bill

insults Quebecers' intelligence. It is a bomb that will explode in the separatists' faces.

I have more confidence in Quebecers' integrity and intelligence. I am convinced that they will detect Mr. Parizeau's deception through the smoke screen he has put up. This process reminds me a little of a somewhat unscrupulous insurance agent who showed up at our house. He told me that I certainly needed insurance and that he would sell me term or permanent insurance. I asked him who had told him that I needed his insurance and I threw him out the door.

The leader of the PQ shows the same attitude by telling Quebecers in his patronizing manner: "I know what is good for you. You want independence, you want separation. Now, do you want separation with or without the Canadian dollar? With or without Canadian citizenship?"

I think that Quebecers will say no, not only to the PQ's and the BQ's separatist option, but also to the separatists' deception and manipulation.

Mr. Loubier: Madam Speaker, I have three comments to make following the hon. member's intervention. First, I want to ask him to show a little more respect for my leader and to remember that he has been involved in the referendum strategy for the last three months. Consequently, my leader certainly supports and endorses the process unveiled by Mr. Parizeau.

I also want to tell the hon. member—who was almost slanderous when he alluded to the honesty and integrity of sovereignists—that we were not afraid, as I said earlier, to participate in the debate proposed to us by the federalists. Is it because, unlike maybe 1980 or shortly before, the federalists are running out of arguments to convince us to stay in Canada are thus unable to publicly debate this issue?

We are offering you a forum: Why not use it to discuss the issue, instead of hiding behind your desk and making comments which are almost disrespectful, if not downright slanderous? I also ask the hon. member to be careful when denigrating Quebec as well as the wishes of a whole nation. My colleague, the hon. member for Témiscamingue, told me that you both represent neighbouring ridings and that yours benefits immensely from that proximity. Indeed, many people living on the Quebec side cross the border into Ontario, to shop in the member's riding. Again, the hon. member should be careful when making comments.

We have common interests, as evidenced by this activity between the two ridings. So, let us be careful. We must respect the will of people, and we must also respect an eminently democratic process. All Quebec federalists should participate in the consultation process.

• (1540)

If they do not want to move, then they should tell us, because the house is falling down. However, these federalists should come up with arguments to support their views. But do come to sit and talk. We are open, and we are very cool, calm and collected.

Mrs. Maud Debien (Laval East, BQ): Madam Speaker, I am very honoured and proud to take part in today's debate on the motion put forward by the Official Opposition. As you know, this motion deals with the draft bill on Quebec's sovereignty which was introduced by the Quebec Premier on Tuesday.

How exciting it is to discuss the draft bill that was introduced by the Quebec government and that sets forth a clear and responsible process which will let Quebecers from every walk of life take part in the debate on this plan for Quebec's constitutional future. To my knowledge, this is a unique process. I do not know that many countries in the world where the people are asked to express their opinion on a draft bill. This openness may be another distinct characteristic of Quebec.

The Quebec government wants the people of Quebec to express their views on the significant issues related to sovereignty. Discussions on significant issues related to the sovereignty proposal will be held in every Quebec region. During these consultations, Quebecers will have the opportunity to say what they expect from a sovereign Quebec.

Another issue will be raised in the debate on the draft bill. I am talking about Quebec citizenship. I would like to say a few words on this. The draft bill sets conditions for becoming a citizen of sovereign Quebec. If you examine clause 5 which deals specifically with this issue, you will see how generously all Quebec citizens will be treated.

It is refreshing to see that a sovereign Quebec would not use the same approach as the Canadian government with regard to citizenship. Quebec is showing openness and generosity by saying that it will give Quebec citizenship to all Canadian citizens domiciled in Quebec, without any restrictions. That is much different from the position of the present government which refuses to do the same thing, as indicated in the report published last spring by the Standing Committee on Citizenship and Immigration. The committee recommended that the new Citizenship Act stipulate that a Canadian citizen who voluntarily or officially acquires citizenship of another country, other than by marriage or in other circumstances such as adoption, shall cease to be a Canadian citizen.

In contrast, the draft bill on sovereignty stipulates that, and I quote: "Quebec citizenship may be held concurrently with citizenship of Canada or of any other country." Quebec would not be the first country to adopt such a policy. France, Great Britain, the United States, Italy and Switzerland, just to name a

few, are among the countries whose residents can have dual citizenship.

Canada and Quebec have always been known as generous and welcoming states. As a matter of fact, Canada has recognized and accepted the principle of dual citizenship for a long time. Why this change by the federal government? Why should a Canadian citizen lose his or her citizenship if he or she acquires citizenship in another country? This restrictive policy has to be denounced. By any chance would that policy be meant to deny Quebecers the right to keep their Canadian citizenship if they so wish? Madam Speaker, this is a federalist ploy.

• (1545)

The draft bill also proposes that once Quebecers have voted in favour of sovereignty, any citizen residing in Quebec will automatically be considered a Quebec citizen. It is nice to see there will be no distinction between Quebecers of many generations and those recently arrived. For instance, the new citizen coming from Africa or Asia will have the same rights as all old–stock Quebecers. Quebec has always been free from prejudice against new citizens from foreign countries.

I would like to quote a Quebec poet, novelist and essayist, a resident of Laval East, Fernand Ouellet. I would also like to take this opportunity to congratulate him on the Ludger Duvernay award he received in November. Mr. Ouellet said: "My ancestors came from Paris, Champagne, Normandy, Poitou, Brittany and the Basque country. Very early, they were exposed to people of various ethnic groups and showed their willingness to live with others. A Norman from Bayeux would naturally marry a Basque girl from Bayonne or a Breton from Quimper. That is how our nation was born."

Quebec is a land of immigrants. Our roots are French, Anglo–Saxon, Irish, Italian, Greek, Latin American and American. Our traditions, our customs and our art were always influenced by the input of immigrants who enhanced the cultural heritage of Quebec.

In future, this openness will remain and even increase. Quebecers are people who reside in Quebec and who like to live there. Quebec citizenship will include all those who live within Quebec's borders and who wish to take part in its development.

Madam Speaker, please, I would like to continue without all the silliness and insulting remarks.

The Acting Speaker (Mrs. Maheu): Order, please. I would ask the hon. member to continue.

Mrs. Debien: Madam Speaker, the draft bill adds that when the Quebec people have voted for Quebec sovereignty, every person who was born in Quebec or who was born outside Quebec and whose father or mother held Quebec citizenship will automatically be a Quebec citizen. These provisions are totally in keeping with what is done in many countries, including Canada.

Finally, the section of the draft bill also proposes, and I quote: "Quebec citizenship may also be acquired in the manner determined by the National Assembly." As in all sovereign and normal countries, newcomers will acquire Quebec citizenship under a legal framework, with regulations, and Quebec citizenship law will be applied according to clearly defined administrative procedures.

The federal government recently decided to close up, to become more suspicious and to see plots everywhere and systematic attempts at abuse coming from other countries. Quebec is opting for a much more positive approach to newcomers who want to live in Quebec. Quebec wants to join other nations at a time when challenges in trade, openness and globalization await us.

In closing, I would like to say that this draft bill proposes a thoughtful and analytical approach in which all Quebecers are invited to participate. I hope that the people of Laval East, whatever their political affiliation and their ethnic origin, and all groups and organizations from our area will come and participate in a highly democratic process to define the future of Quebec. The sharing of ideas and the opportunity to express them is what democracy is all about.

• (1550)

Mr. Nick Discepola (Vaudreuil, Lib.): Madam Speaker, I listened with great interest to what my colleague from Laval East had to say. I cannot help thinking that ever since I was elected to this House, the members opposite have been criticizing us and telling us that the status quo is unacceptable. With the draft bill that is proposed, I wonder what choices Mr. Parizeau, the members of the Bloc Quebecois and the members of the Parti Quebecois really have to offer Quebecers. We are being offered the same Canadian passport. We are being offered the same Canadian dollar. We are being offered the same international treaties. As well, they say in the draft bill that they want to be a member of the most important organizations in the world such as the UN, GATT and NAFTA. Quebec and Quebecers already have those privileges. What more do they want?

Mr. Leblanc (Longueuil): To become masters of our own destiny!

Mr. Discepola: To become masters of their own destiny? They already have control over their own tax system and their own legislative system. They have full control over education, language, culture and immigration. They have all that within Canada.

To meet the requirements of the Referendum Act, which is the authority on which all referendums and plebiscites are held in Quebec, it is clear that there have to be two parties: a yes and a no side. Is that democracy? The so–called democracy that we are being offered in that draft bill? Where are the two parties?

Clause 1 provides that Quebec is already a sovereign country. What other choice is there for those who do not want Quebec to be sovereign? Where is the consultation process? Do they really want to know what other people think? I wonder where democracy stands when 13 members of the 15 commissions proposed are separatists and only two of them are federalists. Is that democracy?

Mr. Boudria: That is Parizeau–style democracy.

Mr. Discepola: Quebecers are offered an alternative. They should have the courage to ask the question correctly instead of writing 18 sections and after that asking the real question that is required by the Referendum Act, yes or no. They should find it in themselves to ask the relevant question: Do you want to separate from the most wonderful country of the world, yes or no? But do they have that kind of courage?

Mrs. Debien: Madam Speaker, at times I have the sneaky suspicion that Liberal members have not read the bill.

An hon. member: They cannot read.

Mr. Boudria: It takes only five minutes.

Mrs. Debien: They must have skipped some parts. This draft bill says that there will be a period of information and participation during which the bill can be improved. What does that mean? It means that we can listen to opinions, we can entertain proposals for amendment, and that is precisely what we expect from the Liberals. But they do not want to. They are stuck on the status quo.

How can they come and talk to us when they are mired in the status quo. They skip stages too. Improvements will be made, maybe even changes. Everyone is invited to take part. There will be a debate in the National Assembly and then this bill will be approved by the people in a referendum.

• (1555)

They forget that. They forget to acknowledge that there will be a referendum on this draft bill.

The Acting Speaker (Mrs. Maheu): I am sorry, but the hon. member's time has run out. I recognize the hon. whip of the government.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I am happy to take part in the debate this afternoon. Since this morning, I have been listening to the comments of the members opposite. What are they asking us? They want the House to enjoin the government to recognize the legitimacy of the so–called democratic process initiated by the Government of Quebec to allow Quebecers to choose the political and constitutional future of Quebec.

We should ask ourselves, if this is the wish of the Bloc Quebecois, why was that motion not introduced in the Quebec National Assembly in order to ask the National Assembly to do precisely what that motion proposes, because what has been introduced in the National Assembly is certainly not, in my opinion, democratic and most of all it will not allow Quebecers to choose their political and constitutional future.

The proposal introduced in the National Assembly is a sham and the members opposite know it. Why is it a sham? Because everything has been structured and organized in such a way that almost all participants are supporters of separation, excuse me, sovereignty as the members opposite would say, because they are afraid to use the real word and they do not have the courage and the conviction to say what we all know.

But we intend to tell the truth to Canadians, those who live in Quebec and the others, about what Quebecers are being told by the Parti Quebecois or by the minor league of the Parti Quebecois in Ottawa, the farm team, the Bloc Quebecois here in town. The members of the farm team and those of the Parti Quebecois want us to believe that they are the real defenders of Quebec.

An hon. member: It is certainly not you!

Mr. Boudria: Madam Speaker, someone just said: "It is certainly not you". I was born in Quebec, I am Franco–Ontarian by adoption and I am proud to say that as a Quebecer, which I am, I can represent a riding in Ontario, in the Parliament of this country, because it is my right as it is the right of every Quebecer to be a candidate from coast to coast and to represent Canadians.

Members opposite want to deprive me of that right, they want to deprive Quebecers of that right and we should not forget that. Members opposite claim to defend not only the rights of Quebecers but those of francophones outside Quebec.

Madam Speaker, let me read an excerpt from the November 1993 issue of *The Hill Times*. In this article, the member for Quebec was interviewed, and she said:

[*English*]

"Bilingualism is only an issue in Quebec", said Ms. Gagnon. "People in Manitoba and Ontario don't really worry about speaking French, they just speak English. I don't expect to convince them to understand our position but I think we have to develop a sense of mutual respect."

[*Translation*]

My colleagues, the members for Nickel Belt, Cochrane—Superior, Timiskaming—French River and elsewhere, are well aware that Bloc members converted recently, perhaps after the member for Québec–Est, a Franco–Ontarian living in Quebec, spoke to his colleague, as I am a Quebecer living in French Ontario.

• (1600)

The sort of thing we see today, where a French–speaking Ontarian can represent a riding in Quebec City and a Quebecer like me represents a riding in Ontario, really reflects what Canada is all about. And I am proud to belong to this great country.

Members opposite are telling us: "We want a separate country"—sorry—"a sovereign country".

Some hon. members: Separate.

Mr. Boudria: All right, separate. It is true, after all. But with all this, they want a Canadian passport. A big cheer for the Canadian passport. They want the Canadian currency. A big cheer for the Canadian currency. They want all the other benefits. They want to be part of the trade agreements negotiated by Canada on behalf of us all. A big cheer for our trade agreements that we managed to negotiate so well. Do you know the best way to keep all these benefits? It is to stay within Canada. It is as simple as that.

Of course, life could be better in this country, but compared to what? Residents of other countries of the world would do anything to be able to come here to Canada. Why? Because they know it is the best country in the world.

[*English*]

Everyone knows that, including the members across the way. They know the truth. They know what it is like.

[*Translation*]

Today, they do not have the courage to put the real question to the people in their province. They know that, in the last provincial election, separatists only got about 0.5 per cent more votes than the opposition, although quite a few federalists voted for them. What does it mean? It means that close to two thirds of Quebecers are against separation; at least 60 per cent of them are against what is called sovereignty because the people across the way do not have the courage to call a spade a spade. We know all this, so do Quebecers.

Why is it that all the Quebec organizations which voiced their opinion in the last few days condemned the initiative taken by the head of the Quebec government? Why did so many of them condemn it? One of my colleagues is going to list many of these groups. They condemn it because they know that these consultations are a sham. They know that the consultation process is pure make–believe and that the results are predetermined.

Let us look at the draft bill. It states that Quebec is a sovereign country.

Some hon. members: Hear, hear.

Mr. Boudria: The members opposite can beat their own drum. By doing so and by gazing at their own navel, as they are doing today, they might end up believing that Quebecers agree with their statements. This is not the case. No matter how hard they beat their own drum, it will not make their wish come true.

[*English*]

Members across the way say that the monetary policy of Quebec should be dictated in another country and they say this in the name of sovereignty. How does one become sovereign by having another country dictate one's monetary policy? That is what they are advocating.

[*Translation*]

They are advocating the use of the Canadian currency in a foreign country. What the members opposite want is to deprive Quebecers of the opportunity to have, in this House of Commons, a finance minister coming from their own province and who could influence the monetary policy; they want to make sure that the Prime Minister of Canada does not come from Quebec to head this country's policy, a policy they will have to adhere to under their phony draft bill.

• (1605)

What the members opposite are doing is shooting themselves in the foot, as the member for Nickel Belt so elegantly put it. That is the real truth. Quebecers will not be fooled. I am the thirteenth generation of Boudrias born in Quebec. Thirteenth! Out of all my ancestors and descendants, my son is the first Boudria to be born in Ontario, the fourteenth generation in Canada.

However, Quebec and the rest of Canada are his country just as Quebec and the rest of Canada are my country. This is our country and it will remain just that!

Some hon. members: Hear, hear.

[*English*]

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I read the motion today asking this House to recognize the legitimacy of the democratic process initiated by the government of Quebec. I have listened to speeches by the Bloc Quebecois members trying to tell us what they intend to do and ignoring whether or not it is legitimate. I have listened to the members of the government who are telling us how good federalism is while avoiding the issue of whether or not what the Bloc intends to do is legal and legitimate.

The way I see the process is that they intend to introduce a bill in the legislature of the province of Quebec that is going to trample all over federal responsibilities. They are going to debate a bill in the legislature of the province of Quebec that is outside their jurisdiction. They are going to vote on a bill that they have no mandate to vote on. Then they want to dress it all up with some false legitimacy measures by holding a referendum.

It is presumptuous in the extreme for them to think that this bill would be endorsed by the rest of the people in Canada. For them to think that by declaring that these are the conditions the

rest of Canada would in any way support, and I think the process is a fraud, I think is illegal, illegitimate and immoral.

I would ask the previous speaker, as a member of this government, why he does not stand up and acknowledge and tell the people of Quebec that this entire process that is being proposed by the government of Quebec is as I said, illegal, illegitimate and immoral. The process is deceitful and a sham. Tell the people of Quebec that is the way it is.

Mr. Boudria: Madam Speaker, I did not think there would be any doubt after my speech that I did not like the process very much. But if it needs to be repeated for the member across the way, I am certainly willing to do so in the time that is left.

We are not just debating legality here. Constitutional experts can argue until all the cows in Glengarry come home as to whether or not there is a constitutional provision, implicit or otherwise, for a province to secede from the rest of the country.

Mr. Discepola: Are those cows from Vaudreuil too?

Mr. Boudria: That is not the point. The point is to keep this country together and it is the duty of all of us, in all our speeches, in all our comments and everything that we do. We should all speak in favour of Canada the way the Prime Minister does, lauding the virtues of living in the greatest country in the world, Canada, not whether or not there are six constitutional experts who say there is such an implicit power. Five would say otherwise or the reverse. What difference does that make? That does not make any difference if a country is trying to split itself apart. What we need is the intestinal fortitude to state that this is a great country and to work together to keep the country together, this great country of Canada. That is what is important, not the rest of that nonsense.

• (1610)

[*Translation*]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Madam Speaker, I wish to make a few comments in response to the speech by the hon. member for Glengarry—Prescott—Russell. I am told I have one minute left.

I would simply like to say to the hon. member that once Quebec achieves sovereignty, he will be allowed to keep his Quebec citizenship if he so desires and if his country, Canada, allows him to. I want to add—I will come back to this later—that we have no lesson on democracy to learn from representatives of the Liberal government and certainly not from representatives of the Reform Party.

Let me refresh your memory with three examples. Quebecers were never consulted on the Constitution of 1867. And what about conscription which the federal government imposed in Quebec after promising—

The Acting Speaker (Mrs. Maheu): Order! Sorry to interrupt the hon. member but his time is up. The hon. member for Glengarry—Prescott—Russell has 30 seconds to reply.

Mr. Boudria: Madam Speaker, I will try to be quick. In fact, the hon. members opposite have much to learn. The separatists have much to learn, if they think that they can deceive the Quebec people with phony consultations on such a contrived bill. It will not work, Madam Speaker. You will see, we will keep this great country together!

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, this is for me, as a Canadian and a Quebecer by choice, a very sad day. It was 35 years ago that we chose Quebec and Canada. For 20 years now, I have been following Quebec's politics. About 15 years ago, I took part in the first Quebec referendum, where Quebecers indicated they did not want anything to do with sovereignty–association as it was called then, with separation as we would say today. They reasserted their sense of belonging to Canada and to our federation.

Over a year ago, I was elected to this House through a democratic process, but we now see for the first time ever a government that will decide unilaterally not to respect our democratic process. I agree with the Leader of the Opposition in Quebec who said that this is not a consultation process, but rather a propaganda campaign, a subterfuge, an illusion. He added that the issue will be how, and not if, sovereignty will be achieved.

After promising to represent everyone, the leader of the Parti Quebecois has initiated a process which excludes Quebec's federalists, that is the majority of Quebecers. If the government really wanted to find out what everybody thought about its proposal, it would not have launched a consultation process that takes into account only one side of the issue.

The president of the Quebec Chamber of Commerce himself has stated that he disagrees with these consultations. He said that the government will have to rethink the whole process. He added that, given the current situation, with only representatives of the Bloc Quebecois and the Parti Quebecois sitting at the table, there would not be a balance in the views expressed and that it would make him very ill at ease.

The president of the Quebec manufacturers' association also decided not to take part in these consultations, because he thinks the draft bill is a sovereignty proposal and does not examine every possible option for Quebec.

• (1615)

Moreover, the presidents of the Quebec farmers' union and the Conseil du patronat also refused to take part in these consultations. These four examples clearly demonstrate that the PQ leader is not everybody's premier and that he only seeks the participation of separatists in this debate.

If he really was everybody's premier, he would have asked the clear and simple question that everyone can understand and answer: "Do you want to remain inside Canada, yes or no?" Unfortunately, this is not the case because he knows that the answer to this question would be no.

Finally, two of Quebec's most distinguished political scientists, Léon Dion and Vincent Lemieux, also severely criticized the PQ's breach of democracy. As reported on December 7, 1994, in *La Presse*, Mr. Dion said: "The process makes me very ill at ease. In such consultations, the public is often won over to a cause even before the process starts. In this case, it is Mr. Parizeau's cause."

The PQ leader continues to call himself everybody's premier and encourages everyone to take part in these consultations on the future of Quebec. At the same time, though, this draft bill does not include Quebec's cultural communities.

Last week, following many statements by members of the PQ government and their representatives, I rose here to ask the government to reaffirm unequivocally that members of cultural communities are, in fact, full citizens of our country. This draft bill confirms that the Parti Quebecois does not consider members of cultural communities as first–class citizens of Quebec.

Can the leader of the PQ government invite the cultural communities to build a new Quebec and then ignore them completely in his plan? Nothing is forcing the Parti Quebecois to subject Quebecers to an agonizing process. As my colleagues pointed out, Quebec is sovereign in all the areas under its jurisdiction. Quebecers live in one of the best countries in the world, a country they have built, a country they have chosen, just like my parents did. That country has evolved and Quebecers are part of this evolution.

Personally, I believe, as the Leader of the Opposition in Quebec said, and he will lead the campaign against separation before the next referendum in that province, that the process announced yesterday by the PQ government can only be democratic if it meets the following three conditions.

First, the process should be based on consultation, not on propaganda. The proposed process in unacceptable since it leads to a foregone conclusion. The solicited advice and discussions have one single purpose: to draft a declaration of sovereignty based on the proposals and suggestions that only supporters of separation will be interested in formulating.

Second, the approach used should focus the public debate on the real issue. The PQ is asking the people to discuss the content of the declaration of sovereignty instead of the advisability of separation in order to avoid the real question: is it in the best interests of Quebecers to separate from the rest of Canada? Not only is the desire of the Parti Quebecois to avoid this question dishonest, but it also shows that the PQ is afraid to hear what the answer of the majority of Quebecers to such a clear question would be.

Third, the process must be fair. In keeping with the spirit of Quebec's legislation on public consultations, both sides should have equal opportunities to put forward and explain their viewpoints. In practice, this means that both sides should have the same number of seats, the same resources and equal time.

• (1620)

Will Quebecers have an opportunity to make a decision on a clear question in the coming referendum? I doubt it.

The question proposed by the Parti Quebecois would ask the people of Quebec whether they are in favour of the Act passed by the National Assembly, which would define the features of Quebec sovereignty. It is a blank cheque the PQ government is asking for, because it knows very well that whole sections of the sovereignist plan would have to be negotiated with its partners in the years following the referendum.

Given these factors, and since I chose Quebec and Canada as my country, this is a very sad moment in the history of Quebec and since the democratic process is not being respected, I will vote against the Official Opposition's motion.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Madam Speaker, first of all, I would like to tell the hon. member for Saint–Denis that her remarks about cultural communities, which she said are disregarded by the PQ government, are not only false, but also disrespectful to the PQ government and to the people of Quebec, a community that is not self–centred, but, on the contrary, quite open to immigration and newcomers. Let me give her just one example. One of her co–nationals, Nadia Assimopoulos, chaired the executive of the Parti Quebecois in the 1980s. That is a telling example of the openness of Quebecers to cultural communities.

I would also like to comment on the so–called undemocratic character of the PQ process. I would like to remind the hon. member for Saint–Denis, as I set out to do a few minutes ago, of four events in the history of Quebecers that were instigated by the federal government, and ask her to consider whether they were democratic or not.

The first one is the Constitution of 1867. Quebecers never got a chance to have their say on that Constitution. Then, there was

the conscription crisis. In 1940, the Mackenzie King government, which had made an electoral commitment not to impose conscription, reversed its position by holding a referendum in which 70 per cent of Quebecers voted against and 70 or 71 per cent of Canadians outside Quebec voted for conscription. Despite his previous commitment, Liberal Prime Minister Mackenzie King imposed conscription on all Quebecers.

More recently, the Trudeau government decided to proclaim the War Measures Act in Quebec and proceeded to arrest hundreds of people, and search the home of thousands of honest citizens. As a result, 20 people waited for months for charges to be laid against them.

• (1625)

Is that the Liberals' idea of democracy? Those people have the nerve to teach us lessons in democracy. The last event is the patriation of the Constitution in 1982. The current Prime Minister was one of the main players in what was a tragedy for democracy, when they shoved down Quebecers' throats a Constitution they did not want. If that is what they call democracy, my Liberal colleagues and the hon. member for Saint–Denis do not know what they are talking about.

Ms. Bakopanos: Madam Speaker, every time a member of the opposition rises, it is to give us a history lecture—that is not interesting. Thank you very much, we have all read the history of Quebec and Canada. This is why Canada was chosen twice as the best country in the world to live in—including Quebec and Quebecers.

I would also like to say, just in passing, since he brought it up, that a compatriot of mine told me that she quit the Parti Quebecois because she was not a separatist, she never supported separatism and she does not share that vision of society.

[*English*]

An hon. member: Madam Speaker, on a point of order. We would all like to hear what the hon. member is saying.

Mrs. Bakopanos: Would you like me to repeat it in English?

[*Translation*]

If we have interpretation again, I would only like to repeat, as I said earlier, that I do not need a history lecture. I know the history of Canada.

[*English*]

I know what the history of this country is, the greatest country in the world. I want to repeat it.

[*Translation*]

I want to repeat that my parents chose to come to Quebec and Canada, and I am proud of it. I want to stay in a united Canada and I will fight for it. The Bloc Quebecois also has many history lessons to learn because history shows us that Quebec and Quebecers have really been quite well served by Canadian federalism.

We enjoy one of the best standards of living, we live in one of the best countries in the world. We really have a quality of life which is the envy of the world, and this is due to the unity of our country, to federalism which benefits Quebec. I wish to repeat that Nadia Assimopoulos, of whom you spoke, resigned from the Parti Quebecois because she was not in favour of the separation of Quebec. She is not a separatist, and never was.

[*English*]

The Acting Speaker (Mrs. Maheu): 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 Yorkton—Melville—Gun control.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Madam Speaker, I am pleased today to speak to this motion which reads as follows:

> That this House enjoin the government to recognize the legitimacy of the democratic process initiated by the Government of Quebec in order to allow Quebecers to chart their own political and constitutional future.

This motion was initiated by the Government of Quebec. Of course, what we are witnessing here today is an attempt to discredit the Government of Quebec, to claim that it is undemocratic, that it does not know what democracy is and that it does not respect democracy in Quebec.

At the outset, I have to say that I, as well as other Quebecers, are clearly shocked to hear the Quebec Liberal Party, the federal Liberal Party and the Reform Party declare that Quebec's proposal is illegitimate. Need I remind you, Madam Speaker, that the Parti Quebecois is one of the most democratic parties of all time. The Parti Quebecois was democratically elected and forms the government.

• (1630)

The Parti Quebecois has a tradition of parliamentary democracy. It is one of only a handful of parties in which members elect their leader by universal suffrage. It has passed laws governing the way in which political parties are financed. It is the only party in Canada to have done so to ensure that each and every Quebecer can make a contribution to a political party and that the government that is elected is free to act. It is not a party controlled by the big interests or by the big unions. When the government makes a decision, it is made freely No other government in Canada can make such a claim.

The Parti Quebecois is responsible for passing of the Referendum Act. It participated in the work of the Bélanger–Campeau Commission which, of course, was set up by the Liberal Party of the day. It participated extensively, intelligently and regularly in the commission's work. Moreover, the outcome of the commission's activities was very positive for Quebec. The Parti Quebecois also took part in the Charlottetown debate. It never refused to participate in this process. This, despite the fact that the federal government was proposing renewed federalism, a kind of draft project. We participated even though we were opposed. We were also involved in the 1992 referendum, as I just mentioned.

The Parti Quebecois has also taken an innovative step by introducing legislation to establish a permanent voters' list. Why then is the federal government refusing to co–operate with the party in power? It is all rather incredible. In my opinion, the main reason why the federalists do not want to take part in this democratic debate is that they have nothing more to say. It is that simple. They have nothing to offer.

Over 35 years ago, Mr. Duplessis used to say we should get what belongs to us from Ottawa because we were cheated out of our areas of jurisdiction. That was back in 1936. I have a cassette tape in my car. I often listen to it, and I can say the speeches of today are exactly the same.

Mr. Lesage said: Masters in our own house. Mr. Johnson, Sr. said: Equality or independence. Mr. Lévesque said: Sovereignty–association. Mr. Bourassa tried twice to improve things. He passed Bill 150 and gave it up later on. What a disgrace.

We have been talking about this for a long time. The subject is definitely not new, at least not for me. In 1984, when I was elected with the Progressive Conservative Party, we talked about decentralization and accountability.

The then Prime Minister, Mr. Mulroney, did all he could to give some dignity back to Quebecers. You will admit he paid a steep price for that. He tried to give Quebecers fairness, not privileges, but legitimate rights that they had been asking for, for decades. Mr. Mulroney's Progressive Conservative Party was completely thrown out of Canadian politics by English Canada. There are only two members left. Why? Because Mr. Mulroney tried to give Quebec some form of legitimacy. That man ruined his political career to fight for the little legitimacy Quebecers need to develop further. This is the main reason why his party disappeared, and it is a well–known fact.

In 1984, while I was campaigning in my riding, Mr. Lévesque, who was my MPP at the time, sent his people to support me. It really happened. Mr. Lévesque talked about the "beau risque" in those days. He said: The Tories seem well–intentioned, we will give them the opportunity to grant Quebecers the legitimacy they have been requesting for so many years. He said: Let us give Mr. Mulroney a chance. I just explained to you what happened to Mr. Mulroney for trying. In 1990, when the Meech Lake Accord failed, when the present Prime Minister of Canada made sure that it failed, it was just because he wanted to get into power and to win the election here in Ottawa. He won his election, but winning that way, on the backs of Quebecers, is not an honour. That is exactly what is going on.

• (1635)

Today, they are trying to tell us that the Parti Quebecois is not credible, that its bill is not legitimate. We know very well that what they are trying to do is strictly an excuse, because they do not know how to justify why Quebecers should stay in this federation. This federation is costing Quebecers an enormous amount of money. I will give you an example. It is an easy one that everyone knows, but they just need to be reminded. Quebecers are not naive. They are not drawers of water any more. They have been out of there for a long time. Quebecers are intelligent people. They are educated, they understand things. They understand very well that the Canadian federation has put a huge debt burden on their shoulders. Quebecers make up 25 per cent of the Canadian population. That means that the federal government is creating a debt of $10 billion a year for Quebecers, without their permission, because they are still a minority in this country.

Canada has an accumulated debt of $550 billion and they are trying to convince us that this Canadian federation is good, that the country is rich. When we look at whether a country is rich or poor, we must also look at its debts. When they say that Canada has the highest standard of living in the world, we must remember that it is a standard of living that was bought on credit. Each year, we borrow money to buy food. If a family borrows every day to buy its groceries, it will maintain its standard of living but one day, it will go bankrupt. Canada is on the verge of going bankrupt.

Just on the subject of money and the economy, we Quebecers do not want to be on this sinking ship. We must take hold of our destiny to be more efficient, to be more successful and to preserve our standard of living. To say that Canada still has the highest standard of living in the world is pure hypocrisy. It is crazy to think that.

That standard of living has been bought on credit and they still keep doing it. The government does not have the courage to cut spending, because of the coming referendum. They continue to borrow on the backs of Quebecers to maintain an artificial

standard of living. We built an artificial economy and we make people believe that the Canadian economy is doing well. It is pure hypocrisy. What we are going through is terrible. It is a disgrace. It is worse than the Second World War. If we continue on this road, Canada will be totally bankrupt in a few years. We are starting to feel it a little more every day.

Mr. Raymond Bonin (Nickel Belt, Lib.): Madam Speaker, I must admit there is hope, since the hon. member of the Bloc Quebecois has said publicly that he was a member of the Conservative Party. Anyone who has the courage to admit that will certainly have the courage some day to admit his mistake and realize that his separatist strategy will not work. By that time, there will probably be no reason for his party to exist, and to do penance, he may have to join the two members of the Conservative Party and stay in purgatory for a while before he crosses the floor and joins the Liberal Party.

It bothers me to put my question to the hon. member of the Bloc, because I realize the Bloc Quebecois does not represent the majority of Quebecers.

• (1640)

It bothers me, because it is like asking the driver of a limousine to sell me his boss's car. However, since they speak for Mr. Parizeau, I will ask them the question.

Last year, when we were elected as members of the Parliament of Canada, it was a big surprise for members of the Bloc Quebecois when they heard I spoke French, although I come from northern Ontario. An even bigger surprise for most Bloc members was the fact that, in northern Ontario, we have institutions for francophones: we have our own schools, universities, colleges and hospitals.

So I will put the following question to Mr. Parizeau, through his messengers: Since you claim to defend the interests of francophones outside Quebec, will francophones outside Quebec have a role to play? Do you intend to set up another committee consisting of thirteen members of the Parti Quebecois and two others, perhaps a Franco–Ontarian and a Franco–Manitoban, to convince us that this is the way to go? How are you going to defend the rights of francophones outside Quebec? Are you going to say the same thing Mr. Lévesque said when he came to Sudbury, in my riding? He told Franco–Ontarians at Laurentian University: It is too bad for you, franncophones living outside Quebec, but we have too many problems in Quebec to have time to deal with yours. That is what Mr. Lévesque told us in Sudbury.

So do not tell us you defend the interests of francophones outside Quebec but tell us what role you think we will play in this debate?

Mr. Leblanc (Longueuil): First of all, Madam Speaker, I must say that I am proud to have been with the Conservatives for six years. It is not because I am against private enterprise. I am in favour of a suitable environment for the private sector, in order to create jobs. I think that party did a good job in this regard, even though it did not have the guts, no more than the Liberals today, to cut spending. I would have wished that they cut more spending.

Nevertheless, in 1990 I had the courage to resign, because I realized that there was nothing more to expect—

An hon. member: After Meech.

Mr. Leblanc (Longueuil): Yes, after Meech, of course. It was no longer possible to defend the interests of Quebec in Ottawa from within a federal party. It is not possible. To do so, you have to be free to speak. And the only way to speak freely on behalf of Quebec is to belong to the Bloc Quebecois, of which I am one of the founding members. This is why we can now speak freely on behalf of Quebec.

We are the legitimate representatives of Quebec, since we won 54 seats out of 75. I consider that a strong legitimacy. Quebecers trust us and that is why they voted massively for us, especially French Canadians, I mean French–speaking Quebecers. Unfortunately we have not succeeded yet in rallying allophones and anglophones to our cause. I understand and respect their position.

Regarding French Canadians outside Quebec, I must say that we made more statements and asked more questions regarding the interests of francophones outside Quebec than the Liberals ever did when I was sitting as a Conservative. What we want to do is help French–speaking communities all over North America.

Mr. Pierre de Savoye (Portneuf, BQ): Madam Speaker, to begin, I would like to go back to what my colleague for Longueuil was saying. Along the same line, this morning, I read an article on the cost of sovereignty. The problem is that it did not mention the cost of federalism.

In fact, we are forced to recognize that, for the past 25 years, we have seen the centralizing policies of the federal government turn a thriving country into one which is deeply in debt.

• (1645)

No matter how loudly the Prime Minister claims in this House that we live in the most comfortable country in the world, our credit card bill is up to $550 billion. The end of the month is going to be something else!

I would have liked to have had the time to mention all the disgraceful, useless expenses, all the waste originating on Parliament Hill and in various departments. Unfortunately I have only ten minutes. Therefore, I will focus on overlapping, duplication and the cost of federalism in general.

Let us look at the various programs the federal government implements in Quebec and which compete, in one way or

another, with those Quebec is already offering because they are more in tune with our specific needs. Believe it or not, out of 221 federal programs and 244 Quebec programs, 197 either overlap or duplicate another. That means that we could get rid of 197 federal programs and Quebec would be better served for it.

First, we are faced with redundant administrative activities. As part of their mandate, well–meaning federal civil servants are doing exactly the same thing as their provincial counterparts acting in accordance with their mandate specific to Quebec. We pay twice for people who do a good job, but who do it twice. Once would have been enough since the job was well done.

There is worse. There is competition between various programs. Because, of course, the federal government wants to outdo the provincial government, it favours quantity over quality; the quantity of dollars it borrows, spends and, unfortunately too often, wastes. Occasionally, it resorts to conflict. We do not agree on targets. The federal program goes one way, while Quebec—and Quebec knows its constituency well and structures its objectives accordingly—goes another. Therefore, efforts and funds, instead of being pooled, are once again wasted.

At times, the programs are in direct conflict with each other. Instead of one going one way and the other one, the other way, they run counter to one another. How often—and the public is aware of this—do lawyers go to court to make representations on behalf of the federal government and object to representations on behalf of the Government of Quebec, whose lawyers are paid by Quebec taxpayers? It is our money that is financing this legal squabble. Duplication, overlap, waste.

That is not all. Think of the poor citizens. I mentioned the 221 federal programs and the 244 provincial ones. Ordinary people are completely lost. When you make an application to the federal government, you are asked whether you have already applied to the provincial government. If so, you have to wait for an answer from both the federal and the provincial governments. But the provincial government is waiting for the federal government to deal with the issue, with the result that the people are kept waiting and waiting and waiting, while the meter is ticking away on both sides. Such a waste!

Finally, I must say that, on top of all that, is an unquantifiable factor—unquantifiable because this is money that we never see—and that is opportunity cost. While these programs shoot each other down or wander one way or the other, the public waits. And while the public is waiting, we let opportunities go by, right under our very nose. All this to say that there are lengthy delays and some people get so totally discouraged that they give up projects they could have completed otherwise.

• (1650)

A case in point is manpower training. Two years ago, there were 25,000 people on a waiting list for training, but the federal government did not agree with the provincial government on required courses. Even the Quebec Liberals said that Quebec knew what the needs were.

We are still waiting. Do you think that these 25,000 people who were looking for training are still waiting in line? No, they are no longer eligible, because they do not qualify for UI benefits any more. They are now on welfare and programs are shutting them out. It is a disgrace.

The costs of federalism? Let us say quickly that federal institutions definitely lack the flexibility required to compete internationally. In fact, the federal system is inflexible by definition, despite what a certain minister may say, as demonstrated by the many failed attempts to reform it.

Everything has been tried. We are not blaming the federalists. They tried everything. Mr. Lévesque, with the "beau risque", deeply believed in it. Mr. Bourassa tried until the last second to find some accommodation. It did not work. The system is inflexible, cast in concrete. Yet, international competitiveness requires great adaptability.

I will close by addressing remarks made by some of my colleagues opposite, which I found almost insulting. We are talking about democracy, about the democratic process. We are talking about the question. You will agree with me, Madam Speaker, that if the finance minister's next tax increase was the subject of a referendum, you know very well that the people would vote against it and that this tax increase would never ever see the light of day.

That would be democracy. But it will not happen that way. It will happen through phony consultations, through passage of this tax measure here in this House. Canadians will see tax increases of up to $120 billion, $125 billion, $130 billion, who knows?

The Government of Quebec is now following a process whose conclusion will be decided by the people. The people will be able to say yes or no. That is democracy. That is how it should be done and I would urge my colleagues opposite to do the same when dealing with important issues. Our Prime Minister says that the question that should be asked is: Do you want to separate from Canada?

I submit that Mr. Parizeau is asking an identical question and here is why. The Prime Minister's question essentially is this: Do you want to separate from the problem? What Mr. Parizeau says is this: Do you want to adopt the sovereignty solution? Everyone is entitled to his or her opinion. Mr. Chrétien is

entitled to his; he can keep his problem. Yes, Madam Speaker, everyone is entitled to his or her opinion. However—

The Acting Speaker (Mrs. Maheu): I would just like to ask the hon. member not to refer to the Prime Minister by name.

Mr. de Savoye: Thank you, Madam Speaker. You are quite right and I conclude by saying that I am convinced that after a clear, vigorous debate, Quebecers will make a historic decision with clear minds.

Mr. Nick Discepola (Vaudreuil, Lib.): Madam Speaker, the member for Portneuf made a speech on the costs of federalism, but he forgot that all the costs always entail benefits as well. His colleague from Saint–Hyacinthe, who sits on the finance committee, himself estimated the costs of overlap and duplication at $3 billion. Even Mr. Le Hir, the PQ minister, estimated the costs of overlap at $3 billion.

But in the magic formula, they always tend to forget one thing: Quebec receives $4 billion in equalization payments and Quebecers collect $1.2 billion in unemployment insurance.

• (1655)

In their bill, will they say that Quebecers must cover 25 per cent of the national debt, as the member just said, which amounts to $550 billion and the costs that it will entail? Will they tell them that milk producers will lose their protection and that it will cost all milk producers millions, if not billions, of dollars?

By chance, the member's calculations overlooked that Mr. Parizeau himself had said that all federal civil servants would keep their job and would be protected. Add that to the calculations and we get into the real debate on the costs of federalism versus the costs of separatism.

Mr. de Savoye: Madam Speaker, I am glad that the member opposite is giving me a chance to set the record straight. First of all, Quebec has 18 per cent of federal civil servants and we pay 25 per cent, so we save 7 per cent there. We must look the figures in the face.

Looking at the balance between what Quebec pays and what it gets, we see that Quebec pays roughly $28 billion to this federal government here in Ottawa and gets about $28 billion back. That seems fair and equitable, but there is a very big difference. While Ontarians get their money back in federal contracts, research and development and other ways, we Quebecers get our money back partly as unemployment insurance and that is unacceptable.

The cost of duplication and overlap may be $3 billion but that is only a small part of it. The real cost is the opportunity cost; while things are happening under our noses, nothing is being done. Opportunities are slipping away from us and they could amount to tens of billions of dollars. With an ability to act responsibly, debt problems would disappear.

I have been told many times that the Government of Quebec will not be a better manager than the federal government. Totally false! For example, it costs the federal government $170 a year to process an employee's pay while it costs the provincial government $70. Here alone, it costs us about 40 per cent of what it costs the federal government. I am not the one saying that; it is the Auditor General. Yes, we are more efficient and I am really eager to be able to prove it to the whole world.

Mr. Ronald J. Duhamel (Parliamentary Secretary to the President of the Treasury Board, Lib.): Madam Speaker, I have two quick questions. The hon. member spoke of overlap and duplication. After one year, 60 or so programs no longer seem to overlap or duplicates one another. Was he aware of that? Is that not the direction in which we should be heading? I think that could be a solution.

I wish to mention something else. For the sake of honesty, would it not have been much easier to simply ask Quebecers what they wanted: to stay in Canada or to separate? Honestly, it would have been much better to do this than to use such a vague, fuzzy, imprecise word as «sovereignty».

Mr. de Savoye: Madam Speaker, a glass is either half empty or half full. We prefer to say that the glass is half full. And we will start by filling it. As for instances of overlap, you know as well as I do that sovereignty is the best way to eliminate them all.

Mrs. Anna Terrana (Vancouver East, Lib.): Madam Speaker, the Official Opposition and the government of Mr. Parizeau are trying to convince Quebecers and Canadians that Quebec's separation is unavoidable, that federalism adversely affects development in that province, and that the consultation process recently announced is eminently democratic. At a time when countries want to unite together, including European nations, Quebec wants to separate.

I wish to take this opportunity to correct certain facts and denounce some exaggerations and overstatement by those in favour of separation.

Is Canadian federalism really an obstacle to Quebec's development? I usually do not agree with Mr. Parizeau's views.

• (1700)

However, I must say that I think he is absolutely right when he says that Quebec has achieved a lot over the last 30 years.

In his speech, Mr. Parizeau mentioned, among others things, that in the 1960s Quebec was a modern state with a dynamic cultural life, that in the 1970s it had become a leader in democratization and education, and that in the 1980s Quebecers

had taken the reins of economic power and greatly increased their international presence.

Mr. Parizeau is absolutely right when he says that Quebecers should be proud of these exceptional achievements.

But where I do not agree with him and those who support separation in general is when they say that Canadian federalism is hampering Quebec's development. How can they make such a claim when the facts show unequivocally that Quebec made tremendous progress over the last 30 years, while being a part of Canada?

Indeed, it is within the Canadian federation that Quebec's quiet revolution got started and that companies such as Bombardier and Cascades were able to penetrate world markets. It is also within the Canadian federation that the work and talent of Céline Dion and the Cirque du soleil gained international recognition.

Make no mistake. I am not trying to tell you that Quebecers became so successful strictly because of Canadian federalism. What I am saying is that it is wrong to claim that federalism has impeded Quebec's development.

Is Canada really unable to recognize Quebec's specificity?

In his speech, Mr. Parizeau said that the failure of the Meech Lake Accord indicated English Canada's refusal to recognize, even symbolically, that specificity. This statement does not seem fair to me.

The Canadian federation recognized even before Meech and continues to recognize Quebec's specificity and to preserve the French fact, and not just symbolically. Let me give you some examples.

Even in 1867, the Constitution Act guaranteed the use of French in Parliament and in courts. The Constitution Act of 1982 reinforced this guarantee and made French one of the two official languages of Canada by recognizing its use in all institutions of Parliament and the government of Canada. Also, the Canadian Constitution allowed Quebec to pass language laws to promote French in Quebec.

Under the Canadian Constitution, Quebec has jurisdiction over education and has a justice system based on the Civil Code, the only one of its kind in North America. Control over these two areas is crucial to preserve and enhance Quebec's specificity.

Three out of the nine judges appointed to the Supreme Court must come from Quebec. None of the other provinces has such a guarantee.

For any issue relating to education and culture, Quebec can opt out of any Constitutional amendment to transfer provincial powers to the federal government and get full financial compensation.

Four consecutive immigration agreements have progressively increased the role Quebec plays in this area and let the province choose its immigrants and facilitate their integration into Quebec society. The Leader of the Official Opposition himself publicly recognized the merits of these federal–provincial agreements on immigration. Let me remind members that the other provinces do not have the same rights as Quebec does in the immigration area.

According to the economic development agreement reached by Prime Minister Pearson and Mr. Lesage, then Premier of Quebec, during the 1960s, Quebec was able to create its own pension plan and set up its own deposit and investment fund.

At the international level, Ottawa–Quebec framework agreements allow Quebec to sign agreements directly with France and Belgium and, pursuant to yet another agreement, Quebec has its own seat at the Francophone Summit, something other provinces do not have.

All these examples show how biased and full of half–truths the separatists' rhetoric is.

Canadian federalism is not so centralized or centralizing that it negates or irons out regional and provincial differences. In fact, Canada is one of the least centralized countries in the whole world. Canadian federalism is not against promoting the French fact. On the contrary, it contributes to the French influence in North America.

• (1705)

To conclude, I want to say that the PQ option troubles me a lot as it does most Canadians, especially francophones outside Quebec.

In British Columbia, most francophones are not only troubled but sad. Like me, they feel betrayed. In 1980, I fought with petitions and letters, etc, from Vancouver, to keep Quebec inside Canada. On the night of the referendum, I was extremely happy and, the next day, I gave the wives of eight Quebec police officers visiting Vancouver a rose and a note of thanks.

I hope to be able to do the same next year, on the night of the referendum. This time, if Quebecers say no, I will give roses to my colleagues, the women of the Bloc Quebecois.

Mr. Stéphane Bergeron (Verchères, BQ): Madam Speaker, I have been listening to the federalist members of the House and it is as if they were trying to win the championship for overstatement. They call the process proposed by the government of Quebec a fraud, immoral, illegitimate and illegal. They call it a farce. We are criticized for not asking a clear question. Yet, as my colleague from Portneuf said, the question seems perfectly clear to me: "Are you in favour of the Act passed by the

National Assembly declaring the sovereignty of Quebec?" I think that is crystal clear: "the sovereignty of Quebec".

In fact, they are criticizing us for referring to a bill in which Quebec's sovereignty is defined. If you recall, Madam Speaker, in 1980, we were criticized for not defining our project. Now that we define it, we are criticized for it. We even go further by asking Quebec's population to participate in defining the sovereignty project. We asked Quebecers to help define the project. But still, we are told: How can you ask federalists to participate in writing a declaration of independence?

I would say that our federalist colleagues are afflicted by two diseases: schizophrenia and amnesia. Schizophrenia because they have not yet realized that there is no federalist government in Quebec City any more, but a sovereignist government, and that the majority of members representing Quebec ridings in this House are also sovereignists. They are hit by amnesia because they refuse to acknowledge that when the Parti Quebecois formed the Official Opposition in the National Assembly, in spite of its political option, it recognized that a federalist party was in power and took part in the various initiatives introduced by that government.

Members will remember that the Parti Quebecois spent hundreds of hours studying the Meech Lake Accord in the National Assembly and in committee, that it took part in the parliamentary committee which studied the federal government's offers that led to the Charlottetown Accord. Members will also remember that sovereignists participated in the Bélanger–Campeau Commission which proposed two alternatives, not ten but two: sovereignty and a last chance for renewed federalism. That last chance failed; it was the Charlottetown Accord. It failed miserably.

So, in keeping with the conclusions contained in the Bélanger–Campeau Commission report, which was signed by the Liberal Party in Quebec and the present Minister of Foreign Affairs, we are now moving toward the second alternative, which is sovereignty, since the first one failed.

It is now our turn to ask our federalist colleagues to take part in the process. Why are we doing this? For two simple reasons: first, because the question will be submitted to Quebecers for approval very shortly and, if the answer is yes, federalists should help define what a sovereign Quebec should be.

Second, the draft bill refers to an economic association with Canada; our federalist colleagues claim it is not possible. We want to keep the same currency; our colleagues claim it is not possible. We want to keep our citizenship; our colleagues claim it is not possible. We want to conclude international agreements; our colleagues claim it is not possible. We want them to explain to us why it is not possible, and that is exactly why we are asking them to take part in the work of these commissions.

• (1710)

In conclusion, I would invite the people of my riding of Verchères to attend the hearings of these commissions and also the people of the beautiful region where I live when I come to work here, the Outaouais region, who are particularly concerned about the consequences of the debate that will take place.

Mrs. Terrana: Madam Speaker, I do not think there is a question. Still, I would like to say something about the Charlottetown Accord. This agreement was rejected not only because of Quebec but also for a lot of other reasons, because the agreement proposed to Canadians was too vast, too complicated, and even people conversant with the issue could not understand the whole package in the Charlottetown Accord.

I think that is why it was rejected, because Native people say the same thing, everybody says the same thing, namely that the Charlottetown Accord was rejected because of its complexity. I am talking about separation, not sovereignty. In British Columbia, everybody talks about separation. I am sorry, but I found Quebec in Canada on my arrival here; I think it is a great country and that we should stay together, especially since Quebecers have contributed much to Canada and because Quebec provides a dimension that Canada needs.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Madam Speaker, neither the Act of Union of 1842 nor the British North America Act of 1867 nor the Constitution Act of 1982 defines an orderly breakup of our great country. In the face of this fact, the reality is that all the many viewpoints put forth by the separatist forces in the absence of precedent are in many cases inaccurate projections about the way things will be in a sovereign and separate Quebec.

I believe Canada will accept separatism if it is the result of a clearly worded referendum on the issue and reflects the will of the majority of Quebecers. But whoever said outside of Quebec that sovereignty association was a negotiable option? A new and better Canada requires four strong foundations. It needs four principles to stick to.

First is responsible spending. Irresponsible government spending by this Liberal government, the massive debt it continues to add to and excessive taxation it proposes to put forward have weakened the financial foundation of the old Canada. We need to rebuild the new national home on the principle of financial responsibility. The federal government must balance its budget and keep taxes in check.

Second is the equality of provinces and citizens. Our old Canadian home is built on the fault line which separates French and English rather than on the solid ground of what all Canadians have in common. It is undermined by the linguistic,

cultural and constitutional policies that do more to divide us than to unite us. We need to rebuild our national home on the principles that all Canadians will be treated equally regardless of race, gender, language, culture, creed and that all provinces have the same powers and responsibilities over their own destinies.

Third is democracy. Our old Canadian home is built on a system that serves the political elite and only allows your input at election time. We need to rebuild our new national home on the principle that you will have more say in how the national household is run. Elected officials will be accountable all of the time, not just at election time.

Finally, a criminal justice system is the fourth principle, that is more effective, leaving less interpreted for judges, that recognizes victim rights over criminal rights.

The reality of the consequences of Quebec separation will in many ways be very costly for all Canadians. Bloc Quebecois members claim that federalism has not, cannot and will not work. They point to the failures of the Constitution Act, and the Meech Lake and Charlottetown accords as sufficient proof. While I agree that these constitutional efforts represent failure, they failed everyone, not just Quebecers because the wrong people were negotiating the right things the wrong way, top down.

What the premier of the province of Quebec is presently doing by first introducing a draft bill, passing it in the legislature of Quebec first and then going to the Quebec people is making the very same mistake. It is a top down approach. It is something that may not be accepted by the rest of Canadians in Canada. Therefore, it is imperative that when Quebecers and the provincial Government of Quebec look at this issue that they address it on the basis that the simpler the question the better.

If Bloc Quebecois members are questioning why the federal government is refusing to participate in the discussions that will go across the province, it is because it has no solution. It is waiting for other people to step forward and the Reform Party is trying to fill that gap.

I believe that in the province of Quebec the voters should be asked first, then a bill drafted and negotiated. Then the people of Quebec will have the legitimacy to begin negotiations with the rest of Canada.

The Acting Speaker (Mrs. Maheu): It being 5.15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the Business of Supply, pursuant to Standing Order 81(17).

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 132)

YEAS

Members

Asselin
Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Bélisle
Caron
Daviault
de Savoye
Duceppe
Fillion
Godin
Guimond
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Ménard
Paré
Plamondon
Sauvageau

Bachand
Bergeron
Brien
Canuel
Dalphond-Guiral
Debien
Deshaies
Dumas
Gauthier (Roberval)
Guay
Jacob
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Mercier
Nunez
Picard (Drummond)
Pomerleau
Tremblay (Rosemont)—40

NAYS

Members

Abbott
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bethel
Blondin-Andrew
Bonin
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Brushett
Bélair
Cannis
Chan
Chrétien (Saint-Maurice)

Alcock
Anawak
Arseneault
Augustine
Baker
Barnes
Bellemare
Berger
Bhaduria
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Bryden
Campbell
Catterall
Chatters
Clancy

Cohen
Collins
Cowling
Culbert
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Epp
Flis
Frazer
Gaffney
Gallaway
Gilmour
Goodale
Graham
Grose
Guarnieri
Harb
Harper (Simcoe Centre)
Harvard
Hickey
Hoeppner
Hubbard
Iftody
Jordan
Kerpan
Knutson
Lastewka
Loney
MacDonald
Malhi
Manley
Marleau
Mayfield
McCormick
McKinnon
McWhinney
Milliken
Mitchell
Murray
O'Reilly
Parrish
Payne
Peters
Phinney
Proud
Regan
Rideout
Schmidt
Shepherd
Silye
Speaker
St. Denis
Stewart (Northumberland)
Strahl
Telegdi
Thalheimer
Torsney
Vanclief
Walker
Wells
White (North Vancouver)
Young
Collenette
Copps
Crawford
Cummins
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Fontana
Fry
Gagliano
Gerrard
Godfrey
Gouk
Gray (Windsor West)
Grubel
Hanrahan
Harper (Calgary West)
Harris
Hayes
Hill (Prince George—Peace River)
Hopkins
Ianno
Johnston
Karygiannis
Keyes
Kraft Sloan
Lee
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marchi
Massé
McClelland (Edmonton Southwest)
McGuire
McLellan (Edmonton Northwest)
Meredith
Mills (Broadview—Greenwood)
Murphy
O'Brien
Pagtakhan
Patry
Penson
Peterson
Pillitteri
Reed
Richardson
Ringuette-Maltais
Serré
Sheridan
Skoke
Speller
Stewart (Brant)
Stinson
Szabo
Terrana
Thompson
Ur
Verran
Wappel
Whelan
Wood
Zed—166

PAIRED «MEMBERS»

Members

Bernier (Beauce)
Charest
Crête
Fewchuk
Gerrard
Irwin
Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)
Lincoln
Martin (LaSalle—Émard)
Ouellet
Rock
Steckle
Bouchard
Chrétien (Frontenac)
Dubé
Gagnon (Québec)
Harper (Churchill)
Kirkby
Langlois
Lefebvre
MacLaren (Etobicoke North)
Minna
Rocheleau
St-Laurent
Tremblay (Rimouski—Témiscouata)

• (1740)

The Acting Speaker (Mrs. Maheu): I declare the motion negatived.

Mr. Harper (Calgary West): Madam Speaker, we have just had a very important vote, historically and for the unity of Canada and Quebec. Where is Jean Charest?

SUPPLEMENTARY ESTIMATES (B)

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:

That supplementary estimates (b) for the fiscal year ending March 31, 1995, laid upon the table Wednesday, November 2, 1994, be concurred in.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent that all members who have voted on the previous vote, plus I understand some who will indicate so in a moment, be deemed to have voted on the question now before the House in the following manner: Liberal members voting yea.

Mr. Duceppe: Madam Speaker, Bloc members will vote nay.

Mr. Silye: Madam Speaker, members of the Reform Party present this evening will vote nay, unless there are those who wish to vote otherwise.

• (1745)

Mr. Taylor: Madam Speaker, I want to indicate on behalf of the New Democratic Party members present, the member for Burnaby—Kingsway and myself, that we would vote nay on this motion.

Mr. Bhaduria: Madam Speaker, I will be voting yes.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 133)

YEAS

Members

Alcock
Anawak
Arseneault
Augustine
Baker
Barnes
Bellemare
Bethel
Blondin-Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Campbell
Catterall
Chrétien (Saint-Maurice)
Cohen
Collins
Cowling
Culbert
Dhaliwal
Discepola
Duhamel
Easter
English
Flis
Fry
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bhaduria
Bodnar
Boudria
Brushett
Bélair
Cannis
Chan
Clancy
Collenette
Copps
Crawford
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Finestone
Fontana
Gaffney

Gagliano
Gerrard
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Jordan
Keyes
Kraft Sloan
Lee
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McLellan (Edmonton Northwest)
Milliken
Mitchell
Murray
O'Reilly
Parrish
Payne
Peterson
Pillitteri
Reed
Richardson
Ringuette-Maltais
Shepherd
Skoke
St. Denis
Stewart (Northumberland)
Telegdi
Thalheimer
Ur
Verran
Wappel
Whelan
Young

Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Iftody
Karygiannis
Knutson
Lastewka
Loney
MacDonald
Malhi
Manley
Marleau
McCormick
McKinnon
McWhinney
Mills (Broadview—Greenwood)
Murphy
O'Brien
Pagtakhan
Patry
Peters
Phinney
Proud
Regan
Rideout
Serré
Sheridan
Speller
Stewart (Brant)
Szabo
Terrana
Torsney
Vanclief
Walker
Wells
Wood
Zed—134

NAYS

Members

Abbott
Bachand
Benoit
Bernier (Mégantic—Compton—Stanstead)
Bridgman
Brown (Calgary Southeast)
Canuel
Chatters
Dalphond-Guiral
Debien
Deshaies
Dumas
Fillion
Gauthier (Roberval)
Godin
Grubel
Guimond
Harper (Calgary West)
Harris
Hill (Prince George—Peace River)
Jacob
Kerpan
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Mayfield
Mercier
Ménard
Paré
Picard (Drummond)
Pomerleau
Sauvageau
Silye
Stinson
Taylor
Tremblay (Rosemont)

Asselin
Bellehumeur
Bergeron
Breitkreuz (Yorkton—Melville)
Brien
Bélisle
Caron
Cummins
Daviault
de Savoye
Duceppe
Epp
Frazer
Gilmour
Gouk
Guay
Hanrahan
Harper (Simcoe Centre)
Hayes
Hoeppner
Johnston
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
McClelland (Edmonton Southwest)
Meredith
Nunez
Penson
Plamondon
Robinson
Schmidt
Speaker
Strahl
Thompson
White (North Vancouver)—74

PAIRED MEMBERS

Members

nil/aucun

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

SUPPLEMENTARY ESTIMATES (C)

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:

That supplementary estimates (c) for the fiscal year ending March 31, 1995, laid upon the table Thursday, November 17, 1994, be concurred in.

Mr. Boudria: Madam Speaker, I think you will find consent that the members who have voted on the previous motion be recorded as having voted in the following way: Liberal members and the hon. member for Markham—Whitchurch—Stouffville voting yea.

Mr. Duceppe: Madam Speaker, the members of the Bloc Quebecois support the motion.

Mr. Silye: Madam Speaker, members of the Reform Party present this evening will vote yea, unless there are those members who wish to vote otherwise.

Mr. Hart: Madam Speaker, I wish to advise the Chair that I was absent for the first two votes but I will be voting with my party.

Mr. Scott (Skeena): Madam Speaker, I wish to inform the Chair that I too was absent for the first two votes and I will be voting with my party.

Mr. Taylor: Madam Speaker, New Democrats present vote nay.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 134*)

YEAS

Members

Abbott
Allmand
Anderson
Assad
Augustine
Bachand
Bakopanos
Beaumier
Bellemare
Berger
Bernier (Mégantic—Compton—Stanstead)
Bhaduria
Bodnar
Boudria
Bridgman
Brown (Calgary Southeast)
Brushett
Bélair
Campbell
Canuel
Catterall
Chatters

Alcock
Anawak
Arseneault
Asselin
Axworthy (Winnipeg South Centre)
Baker
Barnes
Bellehumeur
Benoit
Bergeron
Bethel
Blondin-Andrew
Bonin
Breitkreuz (Yorkton—Melville)
Brien
Brown (Oakville—Milton)
Bryden
Bélisle
Cannis
Caron
Chan
Chrétien (Saint-Maurice)

Clancy
Collenette
Copps
Crawford
Cummins
Daviault
de Savoye
DeVillers
Dingwall
Dromisky
Duhamel
Dupuy
Eggleton
Epp
Finestone
Fontana
Fry
Gagliano
Gauthier (Roberval)
Gilmour
Godin
Gouk
Gray (Windsor West)
Grubel
Guay
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hickey
Hoeppner
Hubbard
Iftody
Johnston
Karygiannis
Keyes
Kraft Sloan
Lastewka
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loney
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marchand
Marleau
Mayfield
McCormick
McKinnon
McWhinney
Meredith
Mills (Broadview—Greenwood)
Murphy
Ménard
O'Brien
Pagtakhan
Paré
Payne
Peters
Phinney
Pillitteri
Pomerleau
Reed
Richardson
Ringuette-Maltais
Schmidt
Serré
Sheridan
Skoke
Speller
Stewart (Brant)
Stinson
Szabo
Terrana
Thompson
Tremblay (Rosemont)
Vanclief
Walker
Wells
White (North Vancouver)
Young
Cohen
Collins
Cowling
Culbert
Dalphond-Guiral
Debien
Deshaies
Dhaliwal
Discepola
Duceppe
Dumas
Easter
English
Fillion
Flis
Frazer
Gaffney
Gallaway
Gerrard
Godfrey
Goodale
Graham
Grose
Guarnieri
Guimond
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hill (Prince George—Peace River)
Hopkins
Ianno
Jacob
Jordan
Kerpan
Knutson
Landry
Laurin
Lebel
Lee
Leroux (Shefford)
Loubier
MacDonald
Malhi
Manley
Marchi
Massé
McClelland (Edmonton Southwest)
McGuire
McLellan (Edmonton Northwest)
Mercier
Milliken
Mitchell
Murray
Nunez
O'Reilly
Parrish
Patry
Penson
Peterson
Picard (Drummond)
Plamondon
Proud
Regan
Rideout
Sauvageau
Scott (Skeena)
Shepherd
Silye
Speaker
St. Denis
Stewart (Northumberland)
Strahl
Telegdi
Thalheimer
Torsney
Ur
Verran
Wappel
Whelan
Wood
Zed—208

NAYS

Members

Robinson
Taylor—2

PAIRED «MEMBERS»

Members

nil/aucun

● (1750)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

Mr. Eggleton moved that Bill C–63, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1995, be read the first time.

(Motion deemed adopted and bill read the first time.)

Mr. Eggleton moved that the bill be read the second time and referred to committee of the whole.

Mr. Boudria: Madam Speaker, I think you would find consent that we apply the vote taken on supplementary estimates (b) to the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 135)

YEAS

Members

Alcock
Anawak
Arseneault
Augustine
Baker
Barnes
Bellemare
Bethel
Blondin-Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Campbell
Catterall
Chrétien (Saint-Maurice)
Cohen
Collins
Cowling
Culbert
Dhaliwal
Discepola
Duhamel
Easter
English
Flis
Fry
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Jordan
Keyes
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bhaduria
Bodnar
Boudria
Brushett
Bélair
Cannis
Chan
Clancy
Collenette
Copps
Crawford
DeVillers
Dingwall
Dromisky
Dupuy
Eggleton
Finestone
Fontana
Gaffney
Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Iftody
Karygiannis
Knutson

Kraft Sloan	Lastewka
Lee	Loney
MacAulay	MacDonald
MacLellan (Cape/Cap Breton—The Sydneys)	Malhi
Maloney	Manley
Marchi	Marleau
Massé	McCormick
McGuire	McKinnon
McLellan (Edmonton Northwest)	McWhinney
Milliken	Mills (Broadview—Greenwood)
Mitchell	Murphy
Murray	O'Brien
O'Reilly	Pagtakhan
Parrish	Patry
Payne	Peters
Peterson	Phinney
Pillitteri	Proud
Reed	Regan
Richardson	Rideout
Ringuette-Maltais	Serré
Shepherd	Sheridan
Skoke	Speller
St. Denis	Stewart (Brant)
Stewart (Northumberland)	Szabo
Telegdi	Terrana
Thalheimer	Torsney
Ur	Vanclief
Verran	Walker
Wappel	Wells
Whelan	Wood
Young	Zed—134

NAYS

Members

Abbott	Asselin
Bachand	Bellehumeur
Benoit	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Breitkreuz (Yorkton—Melville)
Bridgman	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Caron
Chatters	Cummins
Dalphond-Guiral	Daviault
Debien	de Savoye
Deshaies	Duceppe
Dumas	Epp
Fillion	Frazer
Gauthier (Roberval)	Gilmour
Godin	Gouk
Grubel	Guay
Guimond	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Hayes	Hill (Prince George—Peace River)
Hoeppner	Jacob
Johnston	Kerpan
Landry	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Marchand	Mayfield
McClelland (Edmonton Southwest)	Mercier
Meredith	Ménard
Nunez	Paré
Penson	Picard (Drummond)
Plamondon	Pomerleau
Robinson	Sauvageau
Schmidt	Scott (Skeena)
Silye	Speaker
Stinson	Strahl
Taylor	Thompson
Tremblay (Rosemont)	White (North Vancouver)—76

PAIRED «MEMBERS»

Members

Bernier (Beauce)	Bouchard
Charest	Chrétien (Frontenac)
Crête	Dubé
Fewchuk	Gagnon (Québec)
Gerrard	Harper (Churchill)
Irwin	Kirkby
Lalonde	Langlois
LeBlanc (Cape/Cap Breton Highlands—Canso)	Lefebvre
Lincoln	MacLaren (Etobicoke North)
Martin (LaSalle—Émard)	Minna
Ouellet	Rocheleau
Rock	St-Laurent
Steckle	Tremblay (Rimouski—Témiscouata)

(Bill read the second time and the House went into committee thereon, Mrs. Maheu in the chair.)

The Deputy Chairman: House in committee of the whole on Bill C-63, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1995.

(Clauses 2 to 6 inclusive agreed to.)

(Schedule A agreed to.)

(Schedule B agreed to.)

(Clause 1 agreed to.)

(Preamble agreed to.)

(Title agreed to.)

Mr. Gauthier: Madam Chairman, we are working very diligently. I have a question with respect to rules for the President of the Treasury Board.

Could he give an assurance the bill is in its usual form and that there is no change of votes in the bill?

Mr. Eggleton: Madam Chairman, I can give the assurance that the form of the bill is the same as passed in previous years.

(Bill reported.)

● (1755)

Mr. Eggleton moved that the bill be concurred in.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to apply the vote just taken on the main motion for second reading to the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 135*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. Eggleton moved that the bill be read the third time and passed.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to apply the vote just taken at report stage of the supply bill to the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 135*]

(Bill read the third time and passed.)

Mr. Boudria: Madam Speaker, I think you would find consent for the House to proceed now with the motion on Bill C–46, the Department of Industry motion for third reading.

The Acting Speaker (Mrs. Maheu): Do we have unanimous consent?

Some hon. members: Agreed.

* * *

DEPARTMENT OF INDUSTRY ACT

The House resumed from December 7 consideration of the motion that Bill C–46, an act to establish the Department of Industry and to amend and repeal certain other acts, be read the third time and passed.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred division on the motion at third reading stage of Bill C–46, an act to establish the Department of Industry and to amend and repeal certain other acts.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to apply the vote just taken on the main motion for third reading of the supply bill to the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 135*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Bill read the third time and passed.)

PRIVATE MEMBERS' BUSINESS

[*English*]

UNEMPLOYMENT INSURANCE ACT

The House resumed from December 6 consideration of the motion that Bill C–216, an act to amend the Unemployment Insurance Act (jury service), be read the third time and passed; and of the amendment.

The Acting Speaker (Mrs. Maheu): Pursuant to order made Tuesday, December 6, 1994, the House will now proceed to the taking of the deferred division on Mr. Hanrahan's amendment at third reading stage of Bill C–216, an act to amend the Unemployment Insurance Act (jury service).

The question is on the amendment.

As is the practice, the division will be taken row by row starting with the mover and then proceeding with those in favour of the amendment sitting on the same side of the House as the mover to my left and then those sitting on the other side will be called.

(The House divided on the amendment, which was negatived on the following division:)

(Division No. 136)

YEAS

Members

Abbott
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Cummins
Frazer
Gouk
Hanrahan
Harper (Simcoe Centre)
Hart
Hill (Prince George—Peace River)
Johnston
Mayfield
Meredith
Schmidt
Silye
Stinson
Thompson

Benoit
Bridgman
Chatters
Epp
Gilmour
Grubel
Harper (Calgary West)
Harris
Hayes
Hoeppner
Kerpan
McClelland (Edmonton Southwest)
Penson
Scott (Skeena)
Speaker
Strahl
White (North Vancouver)—34

NAYS

Members

Alcock
Anawak
Arseneault
Asselin
Axworthy (Winnipeg South Centre)
Baker
Barnes
Bellehumeur
Berger
Bernier (Mégantic—Compton—Stanstead)
Bhaduria
Bodnar
Boudria
Brushett
Bélair

Allmand
Anderson
Assad
Augustine
Bachand
Bakopanos
Beaumier
Bellemare
Bergeron
Bethel
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Bélisle

Campbell
Canuel
Catterall
Chrétien (Saint-Maurice)
Cohen
Collins
Cowling
Culbert
Daviault
de Savoye
DeVillers
Discepola
Duhamel
Dupuy
Eggleton
Fillion
Flis
Fry
Gagliano
Gauthier (Roberval)
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Jacob
Karygiannis
Knutson
Landry
Laurin
Lebel
Lee
Leroux (Shefford)
Loubier
MacDonald
Malhi
Manley
Marchi
Massé
McGuire
McLellan (Edmonton Northwest)
Mercier
Mitchell
Murray
Nunez
O'Reilly
Parrish
Payne
Peterson
Picard (Drummond)
Plamondon
Proud
Regan
Rideout
Robinson
Serré
Sheridan
Speller
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Tremblay (Rosemont)
Vanclief
Walker
Wells
Wood
Zed—171

Cannis
Caron
Chan
Clancy
Collenette
Copps
Crawford
Dalphond-Guiral
Debien
Deshaies
Dhaliwal
Dromisky
Dumas
Easter
English
Finestone
Fontana
Gaffney
Gallaway
Gerrard
Godin
Graham
Grose
Guay
Harb
Hickey
Hubbard
Iftody
Jordan
Keyes
Kraft Sloan
Lastewka
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loney
MacAulay
MacLellan (Cape/Cap Breton—The Sydneys)
Maloney
Marchand
Marleau
McCormick
McKinnon
McWhinney
Mills (Broadview—Greenwood)
Murphy
Ménard
O'Brien
Pagtakhan
Patry
Peters
Phinney
Pillitteri
Pomerleau
Reed
Richardson
Ringuette-Maltais
Sauvageau
Shepherd
Skoke
St. Denis
Stewart (Northumberland)
Taylor
Terrana
Torsney
Ur
Verran
Wappel
Whelan
Young

PAIRED «MEMBERS»

Members

Bernier (Beauce)
Charest
Crête
Fewchuk
Gerrard
Irwin
Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)
Lincoln
Martin (LaSalle—Émard)
Ouellet
Rock
Steckle

Bouchard
Chrétien (Frontenac)
Dubé
Gagnon (Québec)
Harper (Churchill)
Kirkby
Langlois
Lefebvre
MacLaren (Etobicoke North)
Minna
Rocheleau
St-Laurent
Tremblay (Rimouski—Témiscouata)

• (1805)

The Acting Speaker (Mrs. Maheu): I declare the amendment lost.

* * *

BANKRUPTCY ACT

The House resumed from December 7 consideration of the motion that Bill C–237, an act to amend the Bankruptcy Act (priority of claims), be read the second time and referred to a committee.

The Acting Speaker (Mrs. Maheu): Pursuant to order made Wednesday, December 7, the House will now proceed to the taking of the deferred division on second reading stage of Bill C–237, an act to amend the Bankruptcy Act (priority of claims).

The question is on the motion.

• (1810)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 137)

YEAS

Members

Alcock
Anawak
Asselin
Bachand
Barnes
Bergeron
Bethel
Brown (Oakville—Milton)
Bélisle
Caron
Cohen
Culbert
Daviault
de Savoye
Discepola
Dumas
Fillion
Gallaway
Godin
Guimond
Hickey
Jacob
Kraft Sloan
Lastewka
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Malhi
Marchand
McGuire
McWhinney
Murphy

Allmand
Assad
Augustine
Bakopanos
Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Bodnar
Bélair
Canuel
Clancy
Cowling
Dalphond-Guiral
Debien
Deshaies
Dromisky
Easter
Fontana
Gauthier (Roberval)
Guay
Harvard
Ianno
Knutson
Landry
Laurin
Lebel
Lee
Leroux (Shefford)
MacDonald
Maloney
McCormick
McKinnon
Mercier
Murray

Ménard
O'Brien
Pagtakhan
Picard (Drummond)
Pomerleau
Robinson
Speller
Taylor
Terrana
Wood—85

Nunez
O'Reilly
Parrish
Plamondon
Proud
Sauvageau
Szabo
Telegdi
Tremblay (Rosemont)

NAYS

Members

Abbott
Axworthy (Winnipeg South Centre)
Benoit
Bhaduria
Bonin
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Bryden
Cannis
Chatters
Collins
Duhamel
Epp
Frazer
Gerrard
Godfrey
Gouk
Grose
Hanrahan
Harper (Calgary West)
Harris
Hill (Prince George—Peace River)
Hopkins
Jordan
Loney
Manley
Mayfield
Mills (Broadview—Greenwood)
Patry
Peters
Pillitteri
Ringuette-Maltais
Scott (Skeena)
Shepherd
Speaker
Stinson
Thalheimer
Vanclief
Wappel
Young —79

Anderson
Bellemare
Berger
Blondin-Andrew
Boudria
Bridgman
Brushett
Campbell
Chan
Collenette
Crawford
Eggleton
Finestone
Gaffney
Gilmour
Goodale
Graham
Grubel
Harb
Harper (Simcoe Centre)
Hayes
Hoeppner
Johnston
Kerpan
MacLellan (Cape/Cap Breton—The Sydneys)
Marleau
McClelland (Edmonton Southwest)
Mitchell
Penson
Phinney
Reed
Schmidt
Serré
Silye
St. Denis
Strahl
Thompson
Walker
White (North Vancouver)

PAIRED «MEMBERS»

Members

Bernier (Beauce)
Charest
Crête
Fewchuk
Gerrard
Irwin
Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)
Lincoln
Martin (LaSalle—Émard)
Ouellet
Rock
Steckle

Bouchard
Chrétien (Frontenac)
Dubé
Gagnon (Québec)
Harper (Churchill)
Kirkby
Langlois
Lefebvre
MacLaren (Etobicoke North)
Minna
Rocheleau
St-Laurent
Tremblay (Rimouski—Témiscouata)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Bill read the second time and referred to a committee.)

* * *

• (1820)

[*Translation*]

CRIMINAL CODE

The House resumed from October 26 consideration of the motion that Bill C–226, an act to amend the Criminal Code, be read the second time and referred to a committee.

Mr. Boudria: Madam Speaker, I think you will find that there is unanimous consent for the following: if a recorded division is to be taken on the motion before this House this evening, that it be deferred until next Tuesday, at 5.30 p.m.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

Mr. André Caron (Jonquière, BQ): Madam Speaker, I am pleased to rise tonight to speak to the bill tabled by the hon. member for York South—Weston, which would delete section 745 of the Criminal Code. This section gives an opening to those sentenced to life imprisonment in Canada because they were found guilty of murder.

The purpose of the bill is simply to delete this section of the Criminal Code. When I read a bill like this one, I always feel embarrassed, because there are two aspects to be considered in such situations.

First of all, we should put ourselves in the shoes of the victims and their families, who went through the horrible tragedy of seeing loved ones murdered. We say to ourselves: It is quite normal for people found guilty of such crimes to go to prison for the rest of their lives, since it was the sentence handed down by the court, the jury, the judge.

Yet, other considerations must be taken into account. First, Parliament put this provision into the Code following the great debate held in the mid–1970s on the abolition of capital punishment in Canada.

As you know, Canada abolished the death penalty in 1976 following a great debate in Canadian society. Those opposed to doing away with the death penalty demanded that lawmakers see to it that the people convicted of first– or second–degree murder in some circumstances be incarcerated for life.

However, Parliament introduced into the Criminal Code a provision allowing those who have served 15 years of a life sentence to apply for parole to the Chief Justice in their province.

A whole process is then initiated to review their applications. A jury is empanelled to represent citizens and hear the application.

• (1825)

This is not an automatic process, therefore, in that the application is reviewed. When making its determination, the jury must take into account the character of the applicant, his conduct while serving his sentence and the nature of the offence for which he was convicted.

The members of the jury represent Canadian citizens and they must make a decision based on the information provided by prison authorities. They must decide whether to reject the application, accept it at a later time, or let the applicant be paroled. In other words, this provision in our Criminal Code does not mean that those who serve life sentences can be set free after 15 years.

Why did Parliament introduce this provision in the Criminal Code? I believe it was felt, rightly so—as this was the prevailing philosophy back in the seventies and still is—that after a person has spent 15 years in jail, it might not be a bad idea to see if he should be paroled.

This has nothing to do with erasing a past mistake or offence: It is simply a matter of providing the possibility of serving one's sentence outside, instead of being kept in jail. The whereabouts of a person released on parole are still monitored and the parolee must still meet a number of conditions in order to continue to qualify for parole.

I think that the lawmakers were right to include this provision in the Criminal Code. They believed that after 15 years, a person who had committed a horrific crime could change, after thinking about we he had done and after receiving counselling from professionals while in prison. Of course, there are many people who believe—and this is somewhat the reasoning behind the motion of the hon. member for York South—Weston—that if a person has committed a crime and been sentenced to a certain number of years in prison, he must serve out his full sentence. He did what he did, the person must be locked up and a rigid approach must be taken.

However, this mind–set seems to be characterized by vengefulness and the belief in an eye for an eye and a tooth for a tooth. It is an approach that denies the possibility that human beings can change and improve, that under certain circumstances, they can adopt a different attitude, and once released, they will no longer necessarily pose a threat to society.

• (1830)

In closing, I would like to say that since this provision was first introduced into the Criminal Code, of all the applications received, 128 have been deemed admissible. Of the 128 inmates concerned, 71 have actually applied for parole. Of course, many realized that because of their conduct and the nature of the crime they had committed, there was no chance at all of their being granted parole. Of all the applications received, only 43 have actually been reviewed. Some were turned down, some saw their sentences reduced, and some were given a conditional release.

I think it is fortunate that under our Criminal Code, individuals can take advantage of an opportunity like this one. It is not very permissive. Canadian citizens who are on the jury still have the right to consider the case and to pass judgment on behalf of society. We then have an opportunity to consider the individual's potential for rehabilitation and ability to make a valid contribution to society.

I think Canadian society should be proud of having such provisions in its statutes. It shows we are not a closed society, not an intrinsically punitive society, and that we still provide certain opportunities for offenders who have served part of their sentence and who have rehabilitated themselves.

I think everyone will agree it is normal for people who have committed a crime to be punished, and no one in my party wants to make it easy for these people, but I think it is important to have a provision on the books that shows we do not give up entirely on people who have the potential to be rehabilitated.

Consequently, I will vote against the bill, because I believe that in Canada, this is a valid and useful provision to have in the Criminal Code.

[*English*]

Mr. Paul Zed (Fundy—Royal, Lib.): Madam Speaker, I rise today in this House to call for the repeal of section 745 of the Criminal Code. I speak today from my own beliefs and most important, the beliefs of the many constituents of the riding of Fundy—Royal.

My riding has been concerned about the implications of section 745 for many months. Fundy—Royal residents have firm beliefs about justice. That sentiment can best be summed up in a few words: A life sentence should mean jail for life, or at least for 25 years. Under the present law that potentially has been in jeopardy.

A petition campaign spearheaded by Constable Evan Scott of the Rothesay Regional Police in Rothesay, New Brunswick calling for the repeal of section 745 has been both welcomed and endorsed throughout New Brunswick. I gave the petition my support in a May 17, 1994 letter to the Minister of Justice.

In the letter I expressed my view that to allow a judicial review for persons who may receive parole after 15 years for first degree murder, the worst possible crime in the Criminal Code, is unacceptable. I feel it is imperative to our judicial system that once an individual has been found guilty by his peers for a heinous crime that the sentence provided by the judge should be carried out in its entirety.

I have chosen to speak on this bill today because I have examined the issues surrounding the section introduced in 1976. I have balanced the merits of those arguments with the values of my constituents and I find that the present legislation is unacceptable.

The facts are staggering indeed. A criminal serving a 25 year sentence can be given a 40 per cent reduction in his sentence. Seventy–two per cent of the applicants under this section were allowed to walk out under early parole. Over the next 15 years there are approximately 600 killers who are eligible to seek early parole.

Anyone can submit an application irrespective of the brutality of the crime and at public expense these applications are permitted to be made. Therein lies part of my problem with section 745. Can we imagine the financial cost to the public purse if each of the more than 600 convicted murderers in our prisons today filed for a reduction in their parole eligibility?

• (1835)

Imagine with that large number of cases the series of precedents which could be created. Section 745 could become an impressive mechanism that further restricts the rights of victims.

For example, in the Queen v. Swietlinski, Judge O'Driscoll declared the victim impact statements inadmissible in a section 745 procedure because they were intended to assist in the earlier sentencing process. Therefore they were not relevant to the issue before the jury considering the criminal's application.

Public attitudes have changed since 1975. Today society overwhelmingly affirms that victims, and in the case of a murderer, the victim's family, should have a greater influence in the parole system. This belief is representative of the notion that crime affects society and the victim's family. It is no longer sufficient that the criminal's sentencing and parole be treated independently from the suffering of the victim's family.

When section 745 was drafted its primary concern was how to integrate the convict back into society as quickly as possible. The procedure to determine whether a convict deserves an early parole eligibility is much easier for the convict than a regular trial.

Let me share some examples I find troubling. The jury only needs two–thirds majority instead of 100 per cent agreement. Most of the evidence presented in the hearing comes from those who seek the convicts early release, not the victim's family.

It appears to me that the process is structured in such a manner that the welfare of the victim's family is completely ignored. If I had to choose between this system and one that gives consideration to the victim's needs to believe that justice has been done I would choose the victim's rights every time.

A thorough examination of section 745 warrants that hard questions be answered. Who is the Criminal Code supposed to protect? What is in the best interests of society? I think public confidence in the legal system is of the utmost importance in any democratic society. Is the Criminal Code to be weighted in favour of rehabilitation or the principle that a sentence for serious crimes must be implemented in full? Will criminals now realizing their opportunity to shorten their sentences by 40 per cent subvert the rehabilitation process? Will the public begin to regard 15 years as a life sentence? If this occurs the public wrath should be furious. Let us forgo that process and repeal section 745.

In closing I share the concerns of my constituents in Fundy—Royal, New Brunswick. The current method of determining a convict's eligibility must correspond with what is reasonable. Other members of this House have called for the repeal of section 745. They have often cited the high profile cases of Clifford Olsen who savagely raped and murdered 11 young children.

There is a case which occurred within my own riding. Less than two weeks ago a man who admitted he shot an innocent victim in the back 16 years ago was before a jury explaining why he deserved a reduction in his parole eligibility. When I heard about this case I hardened my resolve. I thought about the family of that victim.

For his family and for the thousands of family members who will be in a similar situation as over 600 convicted murderers apply for early parole eligibility over the next 15 years, I ask and urge that section 745 of the Criminal Code be repealed so that justice can be done and a life sentence will mean at least 25 years.

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, I would like to thank my colleague for his speech and also for producing the numbers. That will save me some time. I am here to support the private member's bill of the hon. member for York South—Weston to abolish section 745 of the Criminal Code.

Something rather strange happened to me a while ago. I had to cross the floor and was in the government lobby. One Liberal friend saw me there and said: "Oh goody, you have seen the light". Well, I have some bad news for him.

• (1840)

I am really happy that some people from that side of the House have seen the light. They have seen the light to such poor legislation and are bringing forward a bill of this type and finding support for it even though it was a piece of legislation that was brought in a few years ago by the very same party.

This section of course allows convicted murderers to apply for a review to lessen their period of parole eligibility. It gives them a process to return to society before serving their entire sentence.

Some of those speaking to this bill have their own opinions on why a convicted murderer should serve a life sentence for killing an innocent victim. Many would admit life should be life, or we in this House should bring back the death penalty. I would challenge the government of the day to seriously consider having a referendum to let the people of this nation decide whether we should have the death penalty.

We are not here to argue that stand. We are here to argue why 25 years in prison should be the minimum penalty for taking another life and how 25 years is just retribution for inflicting untold grief upon the family and friends of a victim of such a heinous crime.

People have free choice. That free choice may include kidnapping, robbery or murder, taking another life. Notice the emphasis is placed on their choice to kill an innocent victim.

When a murderer is convicted in court, the presiding judge decides from the evidence heard what the sentence should be. The judge listens to all the evidence. In a case that clearly demonstrates that the murderer had no concern for human life and no remorse for executing an innocent victim the judge knows a life sentence is just. In those circumstances, the judge knows 25 years without parole is the right sentence for the crime.

I hear from the friends and families of murder victims how they become members of an exclusive club, a club whose only requirement for membership is having one of their own murdered. These club members cannot apply for a reduction of the life sentence given to them for their loved ones. The sentence which entitles them to be members of this exclusive club is indeed for life. Every day for the rest of their lives these club members will suffer. They will be filled with sorrow and will wonder what they could have done to prevent the loss.

Those who murder do not have to serve a similar sentence. They are still alive. They still enjoy the company of others, the benefits of good food, excellent health care and recreation facilities. All this is paid for by the average hardworking taxpayers like those they killed. The only hardship murderers must endure is their restricted access to society. Yet section 745 gives murderers a chance to reduce their separation from law–abiding citizens. That is not justice.

That exclusive club has an annual fee. The fee is paid on every birthday, every Christmas, every occasion that family and friends gather. The memory of the murder victim continues to haunt their thoughts. They simply cannot apply to have their memories reduced. These club members will shed tears where there should be warm embraces and pleasant thoughts of times gone by and times to come. They receive no sentence reduction whatsoever.

These club members are reminded every day of their loss, but that is not the only punishment this current justice system inflicts upon the survivors. This current justice system punishes the survivors further. The friends and family of a murder victim must endure further heartache when murderers apply for early parole. When murderers apply for early parole after 15 years they bring back all the terror and heartache that entered the souls of the family members at the time they were first told of the death.

Why do we continue to punish those who are victims of crime and those who are innocent? I have listened to what a section 745 hearing inflicts upon the survivors. They say they are once again forced to revisit the abyss, to relive the nightmare and all the pain and horror that goes with it. When a murderer applies for a section review of this nature, that is exactly what happens. What more needs to be said? What more evidence needs to be stated that section 745 must be repealed?

• (1845)

If Canadians look at the record of the Parole Board rulings, Canadians see patronage appointees who have little concern for murdered victims or their survivors. These appointees are notorious for listening to bleeding hearts who say the murderer has changed, he has remorse or he has found God and is intending to care for orphans and the elderly now.

These appointees hear reports from psychologists or psychiatrists who have spent a minimum amount of time with the murderer and have decided the murderer has changed. If there is one thing for sure I have learned since becoming a justice critic it is that the worst psychopaths know how to work the system. They know how to con political appointees who only want to follow the mandate of a bleeding heart government. These bleeding hearts believe anyone can be rehabilitated or can feel true remorse for the most heinous of crimes.

All that is needed to believe any political appointees can be conned is to remember that one out of three is given early release by past appointed employees of the Parole Board and one out of three returns to prison.

Section 745 must be repealed so the members of this House can say to the survivors of murdered loved ones they have been given a life sentence, the least we can do is give the murderer 25 years without parole. The most we can do is offer Canadians some minor peace in the knowledge that those who have committed the vilest of crimes will not have early parole.

Let this House recognize the eternal sacrifice of those murdered and eternal pain suffered by their family and friends. Let this House support this bill to end section 745.

In conclusion, I would like to point out one thing that was sent around by one of the members from the Liberal caucus as to reasons why we should not repeal this. It states: "The Liberal Party has never advocated a system of justice based on revenge.

We do not adhere to an eye for an eye or a tooth for a tooth, principles espoused by the Reform Party".

I resent that kind of a statement. What we are calling for is not revenge, it is called justice, something this government has not a clue about and it has demonstrated it year after year in all the legislation it has brought forward.

I do believe that if this government wakes up and realizes there is such a word as revenge, and if we do not start providing justice to our society, revenge is exactly what we can look forward to. It had better wake up to the fact that Canadians are not happy with this justice system. If it does not believe me turn around and ask, it will find out or stand on any street corner in any city in this country and just ask them how they feel. I do not believe that is the Liberal way so I do not think we will look forward to seeing that happen.

Please, I ask everyone here to seriously consider the victims. Remember the victims. Do not vote to keep 745.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I am pleased to rise this evening to support the private member's bill put forward by the member for York South—Weston.

Bill C–226 would repeal section 745 of the Criminal Code of Canada. Section 745 allows prisoners given a life sentence for such crimes as first and second degree murder the opportunity to apply for early parole after serving only 15 years of their life sentence.

I want to give a little background. Section 745 was introduced in 1976 by the Solicitor General of the day who currently sits as the member for Notre–Dame–de–Grâce. Section 745 was part of Bill C–84 and this bill also abolished capital punishment and established two categories of murder, first and second degree. Both categories of this horrendous crime carry minimum sentences of life imprisonment.

Let me be clear. When Reformers and millions of Canadians speak of life imprisonment for despicable crimes such as murder, it must mean life imprisonment.

A number of states in the U.S. have taken the right steps. They have abolished parole boards to ensure that criminals serve their entire sentence no matter how small or how large their crime.

• (1850)

Here in Canada we maintain parole boards which increasingly come under fire for releasing dangerous criminals into our society. We maintain section 745, giving murders, people who commit horrendous crimes in our society, the opportunity to apply for early parole.

As well, as I understand it their chances of being successful under section 745, under that appeal, are pretty good. As of May 1994, 60 applications have been heard under this section and 43 of these 60 have received some form of early parole. That is about a 72 per cent success rate. That is absolutely unacceptable in Canadian society.

It is my opinion that if the member for Notre–Dame–de–Grâce, who introduced Bill C–84, had his way ruthless killers would be out walking the streets after serving only 15 years.

The member for Notre–Dame–de–Grâce argues that keeping someone in prison for 25 years serves little purpose. For a crime as heinous as murder, I and millions of Canadians say that 25 years are not nearly enough.

In addition to the member for Notre–Dame–de–Grâce there are many other bleeding heart Liberals in this government who contend that 25 years—

Ms. Clancy: I am proud to be one.

Mr. Harris: There are many other bleeding heart Liberals in this government who contend that 25 years in prison is a form of cruel and unusual punishment and that section 745 gives the prisoner some hope or something to look forward to after he has completed 15 years of his sentence.

To them I say what about the cruel and unusual punishment of the victim? To them I say what of the cruel and unusual punishment inflicted on the victim's family or the victim's community? What of the cruel and unusual punishment that is inflicted on society as a result of the fear that is created from the knowledge that ruthless killers are out early and walking the streets? What about that cruel and unusual punishment? They do not speak of that when they talk about letting prisoners out early, about letter murders out on to the streets.

The second chance that section 745 awards to criminals is denied to the victims and the victim's families. They do not have a second chance to undo a vicious crime such as murder.

In a statement to the House on October 4, I brought to the attention of all members the fact that the Supreme Court of Canada had recently allowed a first degree murderer another chance at early parole under section 745 because during his first hearing the crown consistently and improperly appealed to the jury's passions. Does that mean the crown was describing the vicious crime this person had committed? This is improperly appealing to the jury's passions.

It would do well for the bleeding heart Liberals opposite to listen to this. This man was convicted in 1986 for stabbing his victim 132 times—are you listening over there—and using five different knives in the process. Because of section 745 it is possible that this vicious killer will be out walking the streets after serving less than 25 years.

In this specific case I would not hesitate to go beyond simple repeal of section 745. I would reinstate capital punishment for this kind of crime. At very worst this government, this House,

should recommend that such a vicious criminal spend the rest of his life behind bars.

• (1855)

On July 5, 1994 the government created a national crime prevention council, no doubt at great expense to Canadian taxpayers. This council reports to the Minister of Justice on various crime prevention strategies. I would hope that this council would take note of the proceedings here this evening and consider advising the minister to abolish section 745 in the interests and safety of Canadians and our communities, and to bolster the sagging confidence level that Canadians have in the criminal justice system in this country.

I would hope also that the bleeding heart Liberals present here tonight are listening to the speeches from their own colleagues and from members of the Reform Party. I would hope that this council would listen to the pleas of millions of Canadians who are crying for a reinstatement of the death penalty for crimes such as murder.

There are some major problems with the procedure in the way applications are heard under section 745. For instance, under this section hearing the criminal cannot be subject to questioning regarding his offence. Give us a break in this country. However, he can give oral evidence as to his successes and what a good person he has been while in prison.

There have also been cases in the past in which Correctional Services Canada has used the Privacy Act, if you can imagine, to deny the crown information relating to the criminal's behaviour in jail. This amounts to suppression of information which could have a profound effect on whether that person should be out.

Last but not least, it is the taxpayers who are paying for these appeal hearings. In the light of these costs, it is absolutely incomprehensible that the bleeding hearts in this government would continue to support section 745.

The continuation of section 745 is simply not acceptable to the victims of ruthless killers in this country. It is not acceptable to the Canadian people. I hope that the bleeding hearts in this government, in this Parliament, will for once listen to the voice of the Canadian people.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Accordingly, pursuant to the order made earlier this day, the division stands deferred to Tuesday, December 13, at 5.30 p.m.

Mrs. Stewart: Madam Speaker, I would like to suggest to the House that we view the clock as reading 7.07 p.m.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

• (1900)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Madam Speaker, yesterday I addressed a very simple question to the Minister of Justice. I do not think the seven million gun owners out there will be very pleased with his response.

The minister dismissed opposition from the provinces of Saskatchewan and Alberta justices ministers, saying:

> I have a decent respect for the opinion of my provincial and territorial counterparts but in the final analysis this is a matter for this federal government to deal with.

As I said in my question yesterday, the legislative assembly of the province of Saskatchewan has voted unanimously, all three parties, to oppose any further gun controls. The chief law enforcement officer for the province of Saskatchewan has written to the minister expressing his government's opposition. He is concerned about how he will be able to enforce gun control laws which the majority of voters in the province know are unfair and unnecessary to control violent crime.

In September the minister told over 10,000 law-abiding, responsible gun owners that he is not interested in making laws by taking a head count and yet he continually refers to bogus polls, which is a head count, to support his biased view that the majority of Canadians actually support his useless, ineffective gun control proposals.

A Ph.D. with 30 years of experience who teaches an honours research design and analysis course at Concordia University described an Angus Reid poll on gun control as fraudulent,

saying his students found a dozen fatal flaws in the five questions asked in the minister's favourite poll and stated: "Any student who submitted such biased questions would fail the course". This is what the minister is appealing to.

When a Gallup poll asked a well worded question, 69 per cent of the respondents felt passing more severe laws over legitimate gun owners would have very little influence on criminals. This is the exact opposite view expressed in the minister's oft quoted poll.

If the minister is going to govern by polls then he must ensure that the polls ask fair and unbiased questions. Further, if he really believes in implementing laws which reflect the will of the majority, he should at least allow the members of this House to have a free vote on the gun control proposals.

Frankly, I do not think the minister is a big believer in true democracy or direct democracy. I think his answer to my question yesterday proves that specifically.

I specifically asked the minister if he had taken a head count of all the justice ministers in this country to find out which of them support his proposals and which do not. The Minister of Justice answered "we govern by what is right", referring to the Liberal gun control proposals tabled last week in the House of Commons. He dictated that this is the government's assessment of what is right.

What have Canadians learned from the minister's reply? We learned that he has indeed consulted "with officials of every provincial and territorial attorneys general ministry" but that he does not care what they think. He is going to do whatever he thinks is right, not what the majority of Canadians think is right, not what the provincial justice ministers think is right even though they are the ones who have to enforce these ineffective gun control laws, not what the police on the street think is right, not even what the provincial legislators think is right, and certainly not what the majority of our municipal governments think is right.

His only justification for this intrusive and costly bureaucratic, make work project is that he and the Liberal cabinet think it is right. If Canadians thought for a moment that registering their rifles and shotguns and confiscating guns from law–abiding firearms owners might actually reduce violent crime and stop criminals from acquiring guns, they might actually support him. But they do not.

They know criminals do not obey any laws, especially gun control laws, and criminals will always be able to get their guns.

In conclusion, unfortunately democracy and majority rule take a back seat to what the Liberals think is right. Frankly, I fear a government that will not listen to the people a lot more than I fear a law–abiding citizen with a gun.

I ask my question again: Has the minister taken a head count of all the justice ministers in this country to find out which of them support his proposals and which do not and could he share the results of this head count with all Canadians?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Madam Speaker, I am delighted to have the opportunity to respond on behalf of the Minister of Justice. While there were a number of comments in the hon. member's intervention that I could answer I shall somehow find the fortitude to resist.

I am certain that all Canadians support the initiatives of the government that enhance the safety of our communities, whether those communities are urban or rural. The criminal and accidental misuse of guns is just as prevalent in the rural areas of Canada as it is in the urban areas.

Studies show the homicide rate in rural areas is 50 per cent higher than in the urban environment. In Saskatchewan, for example, between 1989 and 1992 there was an average of 5.1 suicides by firearms for every 100,000 residents compared to the national average of 3.8.

The legislation that will be introduced in the new year will not prevent farmers and ranchers, hunters or target shooters from using their firearms for recreational pursuits, in the case of ranchers for predatory control purposes. The minister has made this very clear during his extensive discussions and consultations with firearms' owners and users in all areas of the country.

The government's first objective, supported by all firearms interest groups, is to increase criminal sanctions for the use of firearms in the commission of crime. Second, and receiving broad support, are moves that will be made to control and penalize the illegal trafficking and smuggling of firearms. The last major objective is to address the ownership and use of all firearms in Canada.

I believe, this side believes, the government believes that our gun control law is accepted by a great number of Canadians. I am so glad to see the new politics from these gentlemen.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5) the motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.07 p.m.)

HOUSE OF COMMONS

Friday, December 9, 1994

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

CANADA GRAIN ACT

Hon. Alfonso Gagliano (for Minister of Agriculture and Agri–Food, Lib.) moved that Bill C–51, an act to amend the Canada Grain Act and respecting certain regulations made pursuant to that act, be read the third time and passed.

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, I am pleased to speak on Bill C–51 this morning, an act to amend the Canada Grain Act.

Bill C–51 represents a consensus among Canada's western grain producers and the grain industry. This bill contains the changes to the Canada Grain Act these communities have told us they need.

There are four key elements to Bill C–51. The first is to renew Canada's commitment to quality and therefore reinforce the uniqueness of the Canadian quality control system. The second is to eliminate the obligation for government to set maximum elevator tariffs. The third is to improve the financial protection available to grain producers. The fourth is to reduce the exposure of taxpayers in the event that licensees of the Canadian Grain Commission fail financially.

• (1005)

I will now give some detail on these four particular aspects beginning with commitment to quality. Bill C–51 renews this commitment to quality. When we talk about quality, what we mean are the measurable characteristics that end users of these products tell us they need. Bill C–51 restates the need to meet the requirements of end users through visual and other quality determination methods. Until instrumental means are developed to rapidly and efficiently determine quality, visual methods must still be relied upon.

Grain quality, which is the primary reason for Canada's success in international markets, is more important than ever given the post–GATT climate in which freer trade rules reduce the role of export subsidies. Our competitors are going to have to become more like us. For this reason it is important that Canada preserve its tradition and widely acknowledged leadership in this area.

On the issue of maximum elevator tariffs, Bill C–51 provides that the Canadian Grain Commission will no longer be required to set maximum elevator tariffs. Tariffs are the charges grain elevator operators levy for their elevation, storage and cleaning services.

In the absence of maximum tariffs, elevator operators will be able to decide what to charge for their services. Operators will also no longer be required to provide the commission with 14 days notice when changes to tariffs are to be made. These measures will provide companies with more opportunities to be flexible and competitive.

Removing the obligation of the commission to set maximum tariffs is being done at the request of the industry. Elimination of the maximums should encourage more capital investment by elevator companies and result in a more flexible and competitive elevator industry.

Producer reactions to this provision have been mixed. Some do believe there is a risk that companies will charge excessive tariffs unless they are regulated but we are convinced that Bill C–51 addresses these concerns. There are safeguards within the bill and within the structure of the industry.

For example, the majority of primary and terminal elevators are owned or controlled by producers through the Saskatchewan Wheat Pool, the Alberta Wheat Pool, the United Grain Growers, and the Manitoba Pool Elevators. These operators are responsible to their producers, so it is expected they will consider the interests of producers when setting these tariffs.

Some may argue that the corporate interests of producer organizations will override the producers' interests. It would be presumptuous for government to tell producers they are incapable of directing their own organizations. I am very much convinced that producers know what they are doing and they are in the best position to determine whose interests their organizations will serve.

In the unlikely event that producer owned elevators are not able to protect their producers Bill C–51 does include some legislative remedies. Specifically for a two–year transition period the Canadian Grain Commission will have the power to immediately establish maximum tariffs by order if the investigation of a complaint from an elevator user finds that a particular tariff is unjustified. The two–year period should be

sufficient for the industry and producers to adapt to a deregulated tariff environment.

The commission will continue to have the power to set maximum tariffs by regulation as a last resort if elevator operators set tariffs that are excessive. Furthermore, the commission will continue to investigate complaints and to mediate disputes.

However, if the past behaviour of Canada's elevator companies offers any indication of their future actions they will behave responsibly. The recent experience where the commission issued an order which removed elevation tariff ceilings for terminal elevators for the current crop year has shown this. Limits on these maximums were removed to allow operators to recover overtime costs, enabling the industry to deal with backlogged orders. The resulting tariff increases were modest and responsibly applied.

It is significant that the tariffs companies are charging for their other services are below the ceiling established by the Canadian Grain Commission.

The next point has to do with the licensing and security provisions contained in the bill. The Canadian Grain Commission plays an important role in helping maintain the integrity of grain transactions and thereby protecting the interests of grain producers.

The Canadian Grain Commission licenses elevators and grain dealers and holds security posted by licensees. This security which is mandatory for all licensees is intended to help protect farmers against losses in case a licensee defaults on payments to farmers.

In the past the industry viewed this security as insurance to cover licensee liabilities only up to the amount of security posted.

• (1010)

However, in 1990 the Federal Court found the CGC liable in the case of the bankruptcies of two former licensees. In both cases the security held by the Canadian Grain Commission was insufficient to cover the licensees' obligations to farmers and the government had to pay the shortfall in security which was approximately $3.8 million.

The payments that resulted from these court decisions came out of general revenue, more specifically out of taxpayers' pockets. We feel it is important to change the act to protect taxpayers from further payments by clarifying the government's responsibility in any further bankruptcies. This view is shared throughout the grain industry with which the licensing and security provisions of Bill C–51 were thoroughly discussed.

The new licensing and security provisions are as follows. There is currently a one–year limit on security. The act will allow the time limit to be prescribed by regulation and it is the government's intention to fix this period at 90 days. The change is based on one of the major recommendations flowing from consultations. That recommendation was that farmers should take more responsibility for their transactions. This includes promptly pricing grain on delivery and cashing payment documents.

The vast majority of those consulted agreed that security is not intended to help farmers speculate on rising grain prices. By limiting their time to claim the act will place the responsibility on farmers for promptly obtaining payment and cashing documents.

Another provision is that farmers will have 30 days to notify the CGC of a licensee's failure or refusal to pay. If the CGC is notified promptly of a default, it can investigate a licensee that is potentially in financial difficulty and may be able to prevent the licensee from incurring further liabilities.

The onus will be on farmers to determine whether they are dealing with licensees. This is because the CGC only holds security posted by licensees. If farmers want to be eligible for security they will have to ensure they are dealing with a licensed organization. They can do this by contacting the CGC or by monitoring regular CGC advertisements in the farm press.

Farmers will have to hold prescribed documents to be eligible for security. Security posted by licensees applies only to cash purchase tickets, elevator receipts and grain receipts. To be eligible to claim against security farmers must obtain one of these prescribed documents. Only licensees will be entitled to use them. This will prevent non–licensees from misleading producers about their licensing status.

Security available to producers will be limited to the amount held by the commission. If the security held is less than total liabilities, the monies will then be shared on a pro rata basis. Government will not be liable if the security held is not adequate. The commission will monitor companies to make certain their security is adequate to cover their liabilities.

Finally, Bill C–51 will enable the commission to set by regulation the percentage of losses that would be covered by security. The government intends this will remain at 100 per cent of any losses. These are very important provisions that will resolve some of these long outstanding issues.

There is another point here that should be discussed that has to do with special crops. When Bill C–51 was reviewed by the agriculture committee some members and witnesses expressed the view that Bill C–51 should be held back until issues of specific concern to some members of the special crops industry could be addressed in the legislation.

The answer to the problem does not lie in holding up this bill. Rather, the answer is to proceed with developing legislation that is geared to special crops. What does special crops mean? This refers to products such as canary seed, sunflower seed, mustard seed, lentils, buckwheat, beans, peas, corn, safflower seed, soy beans, triticale, fava bean.

At one time special crops played a relatively small economic role when compared with other Canadian grains such as wheat, barley, oats, canola and so on. However, the industry has grown significantly, particularly in western Canada where special crops have grown by about 30 per cent in the last 10 years.

Special crops are regulated under the Canada Grain Act. This act was designed to regulate an industry largely devoted to the bulk handling of cereal grains. Many industry participants have observed that because special crops differ significantly in terms of handling and marketing the act does not meet all the needs of the special crops industry.

This general assessment has some merit. Over the past several years the Canadian Grain Commission has consulted widely on this issue, mostly through the special crops initiative which was conducted by a committee of special crops producers based in the three prairie provinces. These reviews have confirmed that the special crops industry operates differently than the sector of the industry that handles the major grains and that legislative changes are needed to address these special needs.

• (1015)

These reviews have also consistently underlined the need expressed by producers to have access to companies which are licensed and to financial security should those companies default on their payments to the producers.

The commission has examined numerous suggestions and a combination of suggestions that have come forward from participants in the special crops industry. Some suggestions had to be rejected because they were administratively complicated and unduly expensive.

More consultation is planned because the commission wishes to determine which regulatory option is most acceptable to special crops producers and the industry.

The commission recently circulated a discussion paper which outlines options and it will be holding discussions with the special crops industry in western Canada over the next two to three months. From these discussions will emerge recommendations for legislation in 1995.

The conclusion to be drawn from all of this is as follows. First, a special crops industry has special needs which must be addressed. These needs are being addressed in a thoughtful and timely fashion. Second, because the needs of the special crops industry will be the subject of legislative proposals, the minister of agriculture intends to bring it to the House in 1995. We should not delay the passage of Bill C–51. Delays will aggravate problems C–51 is designed to overcome.

In conclusion, we should all thank the many people who have been involved in one way or another in the development of Bill C–51. They include many members of the multitude of Canada's producer and industry organizations, staff of the Canadian Grain Commission, Agriculture Canada and many members of the House, all of whom have contributed to make this bill a success in addressing these issues.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, Bill C–51 under consideration today is an administrative bill. It is designed to make the operation and administration of the Canadian Grain Commission and the grain industry more efficient.

Canada's reputation for grains of constant and reliable quality is commonly recognized as Canada's winning card on international grain markets. The Canada Grain Act will be amended a number of ways by the bill before us, to strengthen the role played by quality in the Canadian grain industry.

Under the provisions brought forward today, the Canadian Grain Commission, which is responsible for administering the Canada Grain Act, will no longer have a duty to set maximum elevator charges. We know that these charges are fees levied by elevator operators for the handling, cleaning, storage and drying of grain.

This deregulation of maximum charges will be introduced in stages. There will be a two–year transition period during which the commission will retain the power to set rate ceilings by regulation. During and after this transition period, the Canadian Grain Commission will act as an ombudsman, investigate complaints and try to settle them. Following the transition period, the Canadian Grain Commission will retain the power to set maximum charges by regulation, as required.

This enactment will give elevator operators more flexibility in setting their prices, enabling them to compete. It will also encourage much needed capital investment.

Bill C–51 will lift the requirement for grain to be hauled from province to another exclusively by common carrier. This will benefit the producers, in our view, by giving them transportation options that could help them cut their marketing costs.

The Canada Grain Act, 1912, established the Canadian Grain Commission mainly to look after the interests of grain producers. Their protection remains the main focus of the act and several of the proposed changes are designed to ensure this protection. Among the amendments is one giving the Canadian Grain Commission the power to take measures against companies making illegal use of the grade names established under the Canada Grain Act.

• (1020)

The bill also requires licensed grain dealers to use the official grade names established under the Canada Grain Act in all their dealings with producers.

There is also a provision allowing the Canadian Grain Commission to suspend primary elevator operation licenses when surpluses exceed the allowed limits. A surplus is the difference between the quantity of grain stored in the elevator and the amount that should be there according to shipment records and receipts.

The bill also contains provisions giving the Canadian Grain Commission the authority to require operators to fully insure the grain stored in their elevators. Finally, it requires eventual licensees to provide specified financial data proving their solvency.

Under the bill, the Canadian Grain Commission would license elevator operators and grain dealers and hold security posted by licensees, to help protect farmers in cases where a licensee defaults in its payment to a grain producer.

After the bankruptcies of two licensees who had posted insufficient security, the courts ruled that the shortfall should come out of general revenue or, in other words, out of taxpayers' pockets. The bill before us proposes several amendments intended to clarify the respective responsibilities of the Canadian Grain Commission and of grain producers and to protect taxpayers against future disbursements.

These amendments include a provision that protects producers by regulation during a fixed period following grain delivery to a licensee. Should producers not try to obtain payment during this period, they will not be eligible for reimbursement out of the security posted by the licensee, in case the licensee goes bankrupt, of course. Based on the consultations which the Canadian Grain Commission held with producers and industry stakeholders, the statutory period will be 90 days.

The bill also contains a provision requiring the grower to notify the Canadian Grain Commission within 30 days if a grain company has not met its obligations.

It also contains a provision making the grower responsible for determining whether he is dealing with a duly accredited company. Since accredited companies are the only ones that have to provide security to the Canadian Grain Commission, claims against the security will not be valid if a grower deals with a non–accredited company.

We also find a provision requiring the grower to obtain documents authorized by the Canadian Grain Commission from grain dealers and other Commission licensees.

The bill also contains a provision allowing the Commission to set a limit on the protection afforded by the security. The Commission could not use this regulatory power without the approval of the Governor in Council. At present, the protection is total—100 per cent—and will remain so in the foreseeable future.

There is also a provision explicitly limiting the Canadian Grain Commission's obligation to the amount of the security provided by the companies which it accredited. This provision exists to make the protection which the growers enjoy closer to the security provisions commonly found in other sectors. It is similar to the limits set on the amount guaranteed by the government when financial institutions fail.

I realize that I went quickly, but for these reasons, I will support Bill C–51 presented by the government.

• (1025)

[*English*]

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I am pleased to speak at third reading of Bill C–51 which amends the Canada Grain Act.

The Canada Grain Act regulates grading and inspection of grain, maximum tariffs on handling charges including elevation, cleaning, drying and so on. The act also restricts in some cases transportation of grain. It is involved in licensing of businesses dealing in or handling grain and also in the security requirements of these companies.

The Canadian Grain Commission oversees the act. It is made up of appointed commissioners who seem, for some reason, to turn over to some extent after an election.

Today I will discuss the changes to the Canada Grain Act which are proposed in Bill C–51. I will discuss these changes under three headings: first, excessive power moved to the hands of the minister and to cabinet; second, maximum tariffs on handling charges; and third, bonding and licensing. As well as these three main areas I will speak briefly about a few other areas which I think are of particular interest.

I will begin with the excessive power moved to the hands of the minister and cabinet under the changes made in Bill C–51. In this bill an increased amount of legislative action is given to the governor in council which is the formalized constitutional body through which the federal cabinet exercises executive power. The executive instrument of the governor in council is known as an order in council which represents delegated legislative power as permitted under specific acts of Parliament.

This delegated legislative power gives cabinet, or really the minister, the ability to enact subordinate legislation by order in council or by regulation. Power delegated through enabling legislation is so common that the law is effectively formed by administrative bodies rather than by Parliament as it should be.

The legislator's role should be to pass the initial legislation authorizing certain agencies to devise, promulgate and supervise regulations as may be deemed necessary to give full effect to a particular act.

Too much power is continuing to be centralized in governor in council. In this bill, clauses 2, 4, 9, 15, 33 and 35 are examples.

How can the Liberals reconcile this with their red book promises of more open and more democratic government? Why are they formalizing control in cabinet? The argument that was presented when this question was raised is that the bill only legitimizes the authority that is there anyway.

If the government is serious about moving to a more open and less interventionist style of government, why did it not remove these powers rather than just formalizing what was there anyway?

This expansion of the scope and use of governor in council power which has occurred at the expense of the power of the legislature or Parliament is largely a result of the increasing complexity of modern government. However this delegated legislative power may involve matters of administrative routine right up to matters of major political and economic consequences. A wide range of issues are dealt with by the order in council power.

Such legislation is so extensive that Parliament can do little other than conduct random checks and investigate only some apparent abuses. The decisions made by cabinet or governor in council are based on informal procedures and the deliberations are secret. This amounts to little more than government by cabinet decree with no accountability.

In this bill there are an increasing number of areas for which the Canadian Grain Commission will now require governor in council approval. Conceivably the Liberal government under the revised act would be given the ability to covertly affect the interest of an individual farmer, a farm group or a grain dealer, for example, which is not operating according to its wishes. Dare I suggest this change opens the door to pay–offs for political favours or punishment for political foes. This is the type of thing the governing Liberal Party campaigned against during the election.

• (1030)

In two cases in this bill there is a movement toward less ministerial control. This bill states that the Canadian Grain Commission will have the power to set the salaries for the members of the eastern and western standards committees which have 26 members and the grain appeal tribunal which is made up of three members. This is in clauses 4 and 6 of this legislation.

Currently the salaries of members of these committees are fixed by governor in council at a $125 honorarium per day for non–government participants and $10 per sample for the grain appeal tribunal. The commission will now be setting the salaries for committee members in order to better reflect the reality and provide the Canadian Grain Commission with additional flexibility to make adjustments without having to go to order in council.

The second area I would like to talk about briefly this morning is the setting of maximum tariffs. Clause 14 and some following clauses eliminate over two years the requirement for the Canadian Grain Commission to set maximum tariffs charged by grain elevators. Instead the Canadian Grain Commission is provided with the discretion to decide whether or not it wishes to regulate this aspect of the grain industry while eliminating the requirement that elevator operators have to give advance notice to the Canadian Grain Commission of changes to elevator charges. Tariffs are fees charged for handling, cleaning, storage and drying of grain, that type of thing.

Removing these tariffs is a positive step. My concern though is with the grain companies that own primary, that is the country elevators, as well as terminal elevators. It is very common in the grains industry for companies to own the farm elevators that farmers ship directly to as well as the terminal elevators which are responsible for receiving the grain in port position and loading it on the ships. Those grain companies may lower the tariffs in the country elevators which is good, but they may at the same time raise the tariffs in the terminal elevators to make up for the cut rates in the country.

This would be fine if only these companies were dealing through their terminals. However these terminals are semi–public terminals by law which means that companies and individuals other than the owners are allowed to ship grain through the terminal.

I am afraid these changes may cause an increased rate at the terminal. The smaller companies which are provided an opportunity by law to deal through the terminals may be squeezed out of business. The rates could be raised beyond that which is reasonable.

Just to make this very clear, there is a provision in place which allows the Canadian Grain Commission to set a maximum in cases where the rate is raised too much. That provision is there and I will talk a bit about that in a minute.

The irony is that while I am concerned about this happening, the positive result from this type of action could be that the small companies may decide to improve the direct hit loading. That is simply loading directly from rail car to ships which started in the port of Vancouver and they may actually expand this to increase the competition. I see this as something positive.

The other positive thing that may result from this is more grain movement through the United States and through American terminals so that Canadian farmers have another option when there is a disruption in grain movement within Canada. That would encourage settlements by those in the grain handling industry, including the companies that own the business and labour. Settlement may be encouraged if they know there is competition so that they cannot stop the flow of grain.

I touched on my concern before about the Canadian Grain Commission or order in council maintaining the power to set the maxmimum tariffs. By getting rid of the maximum tariffs it gives the grain buyers more authority to penalize people who put grain in terminals and do not move it quickly enough. This is in clause 14 of the bill. I believe this is a good move. However, since we know that government wants to increase and not decrease the authority of the Canadian Wheat Board for example, cabinet just may choose to reverse these penalties in cases where the Canadian Wheat Board is affected.

• (1035)

Could the ability to invoke governor in council authority be used in the future by government to give even more power to the central selling desk of the Canadian Wheat Board to further regulate the grain sector? This is a legitimate concern.

With the present legislation the terminals do not have the power to penalize the Canadian Wheat Board for dumping grain for which they do not have an immediate buyer. All other shippers of grain must have a buyer ready before they can move the grain to port. The Canadian Wheat Board is the exception.

We have found over this past year that the Canadian Wheat Board moved grain into terminal position for which it had no buyer. This was the case particularly in Thunder Bay. Without the ability of the companies that own the terminals to raise the tariffs, this put them at a disadvantage because they could not move the grain due to the terminals being plugged with Canadian Wheat Board grain. At least now the law provides for them to raise this rate, but it also provides for the minister to say: "No, this is out of line. We are going to lower the rate".

That overriding power concerns me. I understand there is some need for that because in a business where there really is not enough open competition there could be a rise in tariffs which is not justified. There is a balance. It is tricky to find the balance, but I am just expressing some of my concerns.

The third area I want to talk about today is bonding and licensing requirements and the proposed changes under this piece of legislation. A major change in the bill involves the clear legislative removal of any responsibility on the part of the Canadian Grain Commission and therefore the taxpayers, above the level of the bond that is posted by the Canadian Grain Commission to a licensed company. In the past, courts have required the Canadian Grain Commission to cover losses above the bond level.

Companies buy bonds to protect the customers they do business with against losses up to the bond level if they go out of business. In the past the courts have determined that somehow the Canadian Grain Commission and therefore the taxpayers have a responsibility to cover losses above the level of the bond.

However in at least two cases over the past years taxpayers have also been forced to cover losses for companies which have not been licensed under the Canadian Grain Commission. Therefore, there is no responsibility on the part of the Canadian Grain Commission or the taxpayers. The Auditor General was very critical of the bailouts of these two companies which seemed to be politically motivated.

With the changes that are made in this area there is no doubt at all that farmers will not be protected above the level of the bond. The courts will not be able to determine that taxpayers should somehow be held responsible for farmers and grain companies through funds from the Canadian Grain Commission.

The Canadian Grain Commission does however monitor these bonds to try to determine whether the licensed companies are operating within the level of the bonds. This is a very difficult thing to do and it is very expensive. It is a function which does offer some degree of protection. At the same time while the monitoring is there, the grain commission is not responsible if the monitoring is ineffective. That is a concern.

Once again the Canadian Grain Commission has the power but does not take the responsibility for its mistakes. It has the power to refuse to licence a company, to require expensive insurance and bonding. It spends the money to perform these functions, but again the only protection is provided by the companies and the protection is only up to the level of the bond. It is important that farmers know this.

For this reason I believe that elevators and grain dealers should have the right to choose to opt out of this licensing and bonding requirement. This was the reason for my first amendment to Bill C–51, Motion No. 3, which was debated and defeated at report stage. That amendment would have allowed individual elevator companies, grain dealers, to choose to opt out of the licensing requirements under the Canada Grain Act.

• (1040)

It is very expensive and very difficult for some small companies to provide the bonding and insurance the Canadian Grain Commission may require. In those cases these companies could have chosen to opt out.

The protection we offered to farmers and people doing business with these companies is that on the premises there would be a sign very clearly stating that the place of business was not licensed under the Canadian Grain Commission. As is done in other areas with this type of body, on the front of every contract it would have been required to clearly state that the company you were about to enter into a contract with was not licensed under the Canada Grain Act. That was the protection for farmers.

As well, the amendment would have provided the flexibility so that when a company did opt out it no longer had to meet any of the requirements of the Canada Grain Act. This amendment would also have allowed companies, if they chose, to use the grading and inspection services that the Canadian Grain Commission provides, of course at a cost as is done now.

There are a few other points that I want to raise. One further clause in this bill authorizes the Canadian Grain Commission to suspend licences of primary elevators where overages exceed allowable limits.

Overage is just a difference between the amount of grain an elevator has in store compared to the amount it should have in store when looking at the records of shipments and receipts of grain. This is to offer some protection that in fact companies are paying their customers for what has been brought in and put through the facility.

Another clause confirms the authority of the Canadian Grain Commission to require operators to fully insure the grain in their elevators. It requires that prospective licensees provide specified financial data which demonstrates their financial viability.

What they are talking about here is a little bit closer monitoring of the bonds. While it is impossible to make sure that a company is operating within the bond level, it was pretty clear from what happened in the past when companies failed that the monitoring was not as good as it should be.

A further step in this bill involves movement of grain within Canada. This may surprise some people although people who are knowledgeable in the grain industry know this, the legislation seems to grant free movement within the eastern division or within the western division, a line drawn just west of Thunder Bay. This is in clause 25 of this bill. My question is: Why should there be any restriction to interprovincial trade and grain in this country? Yet, there is.

This legislation will allow free movement within the eastern division or within the western division but not between the two divisions. This seems absurd. To add further to that under the Canadian Wheat Board Act it is still against the law to transport grain from province to province even within a division. This seems absurd when you consider we are moving to more free and open trade with the world.

A further change requires that licensed grain dealers use the Canada Grain Act grade names in all of their transactions with farmers and grant the authority of the Canadian Grain Commission to act against companies which illegally use them. This has almost been a normal practice in the industry and this change only legitimizes what is already happening.

My concern is that dealers do not have the right to operate as unlicensed businesses. They may apply to the Canadian Grain Commission which may choose to grant them the right to operate without a licence but it is not a right. Of course my amendment which was defeated at report stage would have provided this as a right.

I believe that farmers and dealers in the industry want a change which will allow a dealer to operate as an unlicensed dealer and choose to deal in either ungraded grain or grain which has been graded by the Canadian Grain Commission. They want the choice. Because farmers are paying for the majority of the operating costs of the Canadian Grain Commission, they should be provided with the choice.

• (1045)

In conclusion, one witness in committee referred to the bill as the reregulation of the industry. The time has come for an open and honest evaluation of the role of the Canadian Grain Commission to determine what functions it should perform and how it should perform them.

The evaluation must determine what farmers want in areas that affect them and what others in the industry want in areas that affect them. The role of the Canadian Grain Commission should be to provide no more or no less than what is wanted by players in the industry.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I reiterate the statements made by my hon. colleague from Vegreville. He made a very good speech on what this change to the grain commission act really is. I will add a few comments.

As members of the standing committee on agriculture know very well, I am not a big friend of the Canadian Grain Commission. I was very close to the issue when Grandin wheat was smuggled into the country and put the reputation of our milling wheat at stake. The way the grain commission acted on the issue was really appalling. Not only did it not try to keep the grain out of the country but it more or less showed the smugglers, as I call them, how to get around the rules and regulations to bring it in and fill their pockets with wheat that was really not suited for our area.

It makes me wonder: I see a bill like this one that says deregulation and then I see it is probably open to loopholes whereby small players could be put out of business in a very short time.

When I look at small elevator companies with no terminals, I wonder how they will be able to compete with a very low tariff in the country. When grain is shipped to the terminals of larger

players they can be hammered with the tariffs and put out of business. That is not fair. The grain commission was put in place to see that everyone was treated equally, small players or big players.

Why would large grain companies be worried about exporting grain if their terminal charges were so high they actually made more money by keeping it there than moving it once or twice during the year? It is a deterrent to exporting grain outside the country.

We have small players in the grain industry like small seed cleaning plants. They are really the entrepreneurs in the special crops industry. They were the people who put at risk the bit of capital they had by experimenting with lentils and with peas. These small players are going to be licensed and regulated to a point where they cannot exist. I received a call from a small seed plant owner one day who said: "Jake, to enforce the new regulations in the act it will cost me $20,000 extra for doing my books". A chartered accountant will now do his books which were always done by him and his family.

The accounting and the bonding are putting these small players out of business. Every farmer knows the reputation of the seed plants in their areas. They have been in business for years and have never defrauded anyone of a single dime. They are now going to be put out of business. That is wrong.

• (1050)

Another thing that is wrong is that grain commissioners are paid by farmers; 90 per cent of their wages are from farm receipts. However what input do they have in who the commissioners are? This is a point in our democracy that must be changed. When a player pays he should also have the right to know whom he is paying.

Clause 4 of the bill also bothers me. It would permit the Canadian Grain Commission rather than the governor in council to fix allowances paid to members of grain standards committees and grain appeal tribunals, removing the set of rules as far as payment is concerned one step further from the House. Before it was the governor in council and farmers who had some input. Now it is to be removed from the governor in council and given to commissioners to set wages for grain weighing tribunals or grading standards people.

This is not very effective nor what farmers want. I do not think it saves the taxpayer money. I would equate that to putting the fox into the chicken coop instead of outside the door. It is dangerous and should not be allowed to happen.

Clause 21 of the bill really bothers me. Under the clause process elevators, unlike primary elevators, would no longer have to perform weighovers to determine whether there is an overage or a shortage, a discrepancy between the amount a grain elevator has in store and the amount it really paid for. This is to recognize that process elevators are not required to account for grain delivered by producers.

Why should process elevators be treated any different from primary elevators? These are the elevators that are processing the special crops. These are the process elevators that really turn over the dollars, where the big bucks are. Very little overage or a shortage can increase their profit margins and it is all coming out of the pockets of farmers. It will open the door to more corruption and more lost revenue for farmers. If we want a bill that is fair to everyone, it should be on a basis where primary and processing elevators are treated exactly the same.

My colleague touched on another item I do not like. Public carriers will only be able to transport grain in the west, not into the east or vice versa. It is another regulation that will hinder value added processing companies.

Just this week a small miller in Manitoba tried to export to another province. He will be able to do so under this act into Manitoba, Saskatchewan, Alberta and B.C. However he cannot go into Ontario and compete with the bigger processors or the millers. The country should be shared by everyone. We have agreed to the establishment of the World Trade Organization but we do not have free trade in our own country.

There is so much to be said about the government that we could probably talk all day long. One of these days in the House, especially when we are not debating this bill, I will mention to hon. members what the old red combine did to my farming operation. We could probably debate a few matters outside this bill.

• (1055)

When I commented in the standing committee that there should be a revamping of the Canadian Grain Commission I was not very far off. Farmers will very much support that idea, just like they supported the idea that the Grain Transportation Agency should be done away with.

It amazes me that we can debate bills in the House and agree in committee 100 per cent, Liberals, Bloc and Reform, but legislation does not get passed. I would suggest very strongly to the House that if we want the farming industry to stay in business we will have to start making real deregulation, not superficial.

As far as I am concerned the bill is giving the grain handling system the chance to increase its revenue without considering what it will cost farmers. We will not have the free movement of grain we should have. The bill will give us competition, but the competition will be limited. The amount of tariff that can be charged will be set by larger players with no regulation. That really bothers me. We have to start realizing that the primary producer should be protected by bills like this one, not the major players, the processors or the grain handling system.

My colleague did a very good job on the other issue that is wrong with the bill. I wholeheartedly suggest to members across the way that if western Canada does not get a few fair shakes in some of these bills, maybe we will start seeing more grain moving to the south, which will be detrimental to the country.

I am a Canadian. I like rules and regulations that benefit Canadians, but my children and my neighbours' children who are farming need to survive and have a profit. If we do not start drawing up bills to protect the farming industry, we are in big trouble.

With that I will close my remarks and turn the debate over to someone else.

[*Translation*]

The Deputy Speaker: It being 11 a.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members, pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

THE CANADIAN BOUQUET

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, on Thursday, June 4, 1992, I informed the House of my constituent Mr. Michael Reynolds and his contribution to Canadian unity, "The Canadian Bouquet".

The painting is a collage of the provincial and territorial flowers of Canada. This picture of beauty and unity is symbolic of the greater unity of the people of Canada. A pledge of unity was also drafted and accompanied the nearly 25,000 prints sold to raise money for charity.

The pledge reads:

> We the people, for love of country and in recognition of 125 years of Canadian Confederation, make this pledge. Until the seasons cease to change, each new spring will bring forth the flowers of "The Canadian Bouquet" in a united Canada.

Today more than ever Canadians must reaffirm their commitment to the very best country in the world. This pledge and print aim to serve that purpose.

* * *

YOUTH ENTREPRENEURIAL PROGRAM

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, business and industry are the engines that drive economic growth in Canada. For this reason it is of utmost importance to encourage the traditional Canadian entrepreneurial spirit.

This week I was delighted to present awards to the winners of the youth entrepreneurial program in the Carleton—Charlotte region of New Brunswick. This program was sponsored by the Carleton Regional Development Commission in partnership with ACOA and the provincial department of advanced education and labour.

Eleven university students presented their options for new businesses and from these presentations, three winning business plans were selected.

I offer congratulations to the winners: Lisa Gionet, Nancy Martin and Simon MacInnis. I extend my appreciation to all participants and the organizers for the event.

There is a new confidence in Canada, and the government's jobs and growth strategy is working. The Canadian entrepreneurial spirit is alive and well once again.

* * *

HUMAN RIGHTS DAY

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, December 10 is International Human Rights Day. I would ask all my colleagues to take some time tomorrow to remember the numerous areas of conflict around the world and the men, women and children who are victims of human rights abuses on a daily basis.

As parliamentarians, we have a responsibility to increase general awareness of human rights abuses occurring globally and raise these issues in the House.

I hope that in the coming new year all parliamentarians will continue to work together in bringing human rights violations to the forefront and in spreading the message that these violations are unacceptable.

Parliamentarians can make a difference when they collectively speak out on human rights no matter where they occur.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, this morning I want to give you another example of flexible federalism or, rather, federalism which ignores the legitimate proposals of a group of students.

Yesterday, the students' federation of the University of Ottawa was invited by the Minister of Intergovernmental Affairs to a public consultation on the social program reform. The minister remained silent throughout the hearings and did not take any notes. Moreover, the minister's assistant led students to believe that the discussion was being recorded. A verification revealed that no recording was made. This illustrates the federal government's real idea of what public consultation is.

Is this the kind of federalism that the government wants to propose to Quebecers and Canadians? Flexible federalism is nothing but federal indifference. The government is more interested in imposing its already set ideas than in discussing issues with the others concerned.

* * *

PRE–BUDGET CONSULTATION

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, in a report tabled yesterday, Liberal members are paving the way for a new tax increase affecting all taxpayers, thus reneging on the election promise made by the Prime Minister not to raise taxes.

Besides recommending this possible surtax, the Liberal majority on the finance committee proposes to increase the tax burden of the middle class by imposing a new tax on gasoline and by giving the Minister of Finance full scope to tax RRSPs and pension funds in particular.

Moreover, by recommending additional cuts of $3.4 billion to social programs, the Liberal members on the finance committee confirm how despicable the Axworthy reform is, since it seeks to reduce the deficit on the backs of the unemployed, welfare recipients and students.

Faced with these unacceptable recommendations from the Liberals, the Bloc Quebecois, in a dissenting report, proposed ten progressive and specific recommendations to reduce the deficit and create jobs.

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DRAFT BILL ON QUEBEC SOVEREIGNTY

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, yesterday, during the debate on the Quebec referendum process, Bloc Quebecois members were quite surprised by the lack of historical perspective shown by Liberal members as a whole, and more particularly Quebec Liberal MPs.

While they all were quick to condemn the regional consultation process on the draft bill regarding sovereignty, calling it illegitimate and undemocratic, they conveniently forgot that, in 1981, there was no consultation and no referendum, in spite of the nearly unanimous opposition of the Quebec National Assembly to the new Constitution.

• (1105)

They also forgot that the Meech Lake Accord was rejected in 1990 without a referendum and that the parliamentary process leading to the Charlottetown Accord in 1993, which was unequivocally rejected by the people, was flawed.

Obviously, members opposite have a short memory. And yet they are the ones who took part in the unilateral patriation of the Constitution through an undemocratic process.

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[*English*]

CHIROPRACTIC PROFESSION

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, 1995 marks the 100th anniversary of the founding of the chiropractic profession. Few people know that the study of this profession was founded by a Canadian, Mr. Daniel David Palmer, born at Port Perry, Ontario.

Today its practice is used worldwide. In fact many members of this Chamber, including myself, use its services.

I would like to extend to all members of this honourable profession a happy anniversary. I would also like to let them know that I share their disappointment over the decision of Canada Post not to commemorate this achievement in the medical area.

* * *

FIRST NATIONS SELF–GOVERNMENT

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, Wednesday, December 7 was an important day in the history of Canada and our relationship with the First Nations people.

It was on this day that the dismantling agreement was signed by the Minister of Indian Affairs and Northern Development and Grand Chief Phil Fontaine that heralds the beginning of self–government. I am pleased this initiative is taking place in my home province of Manitoba.

This agreement will give the First Nations the authority, the responsibility, and the accountability to govern their own affairs.

I was proud to attend this historical event, proud to be part of an initiative that represents co–operation, mutual respect and trust between the government and the First Nations of Canada.

I applaud the minister and the First Nations for their commitment to finding common ground on which self–government can be built in Manitoba and ultimately in Canada.

HUMAN RIGHTS DAY

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, tomorrow we celebrate the 46th anniversary of International Human Rights Day.

The world has since shown greater respect for freedom and human dignity. The Berlin wall has collapsed, the iron curtain has been lifted, apartheid has been abolished, and dictatorships have been overthrown.

At the same time we note with sorrow that citizens of other nations continue to live in oppression, or are forced to wage bloody wars to secure freedom.

We shall not despair. New tools for dialogue are emerging. Trade missions have built bridges of understanding and respect for one another. Canada is proud to have its International Centre for Human Rights. As a nation we should be proud of our leadership in this field, doing our utmost to promote peace and justice throughout the world to secure human dignity for all.

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GOVERNMENT OF CANADA

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, on November 29 a Manitoba Liberal member of Parliament stated in the House that the Liberal government cares about Canadians and cares about the economy.

Let me tell you about this caring government. This caring government continues to support the gold–plated pension plan while denying Manitoba cattle producers fair compensation for their depopulated herds. They spend $45 million needlessly backtracking grain and deny an FSAM II payment to an eligible farmer due to a postal mix–up.

This government provides crown corporation executives with $300,000 interest free loans while the Farm Credit Corporation forces farmers into receivership due to compounded interest.

To top it off, this caring government is talking of increasing gasoline taxes and taxing lottery winnings.

Care indeed. My foot.

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HEALTH CARE

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I was recently visited in my constituency office by Barbara Mayer and Doreen Armitage, both of whom suffer from fibromyalgia, a chronic rheumatic disorder involving widespread pain and profound fatigue.

Headaches and irritable bowel are also among the approximately 35 other symptoms making diagnosis very difficult and complicating disability compensation claims for sufferers.

The degree of fibromyalgia can vary from very mild to extremely disabling. Doctors have no effective treatment and it is often difficult for patients to convince others of the true state of their health.

• (1110)

Two–thirds of the sufferers are women and up to 5 per cent of the population may be affected. Unfortunately it is only in recent years that the disease has started to receive attention so there is a serious lack of research funding.

For this reason I urge all members to do whatever they can, financially or otherwise, to support research initiatives connected with fibromyalgia.

* * *

NORTHERN TAX ALLOWANCE

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the solution to our growing debt is not to increase revenues but to reduce government expenditures.

Northerners use a greater percentage of their disposable income for the bare essentials of food, shelter and clothing than do Canadians living further south. Northerners must pay more for food because it has to be trucked over longer distances. They pay more for fuel to heat their homes over the longer, colder winters. They pay more for medical care and education when they send their children south to specialists or universities.

We know the Minister of Finance is looking for easy tax grabs to fund continued overspending. Although it does not begin to compensate for all the differences, the northern residence deduction helps offset some of these additional costs.

On behalf of all northerners I ask the Minister of Finance to carefully consider the positive impact this tax deduction has provided toward assisting northerners to meet their basic needs.

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ATLANTIC CANADA OPPORTUNITIES AGENCY

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, I rise to express my thanks to the minister responsible for ACOA for the new course he is charting for Atlantic regional development.

The beginning of a Team Atlantic, the end of grants to business, and the focus on job creation are the solutions that Atlantic Canadians are searching for.

While the government is offering new direction, the hypocrisy and noise of members of the Reform Party shines through. In their desperate attempt to attack ACOA they have resorted to spurious innuendo, untruths and distortions not only on the agency's record but on ministers of the crown.

I say shame on the party that promised before the election to do politics differently. Some difference. In its usual way the Reform Party has resorted to American style smear campaigns. It just goes to show it is out of touch, out of mind and has nothing to offer Atlantic Canadians.

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DECADE OF THE WORLD'S INDIGENOUS PEOPLE

Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):

[*Editor's Note: Member spoke in Inuktitut.*]

[*English*]

Mr. Speaker, tomorrow Canada will welcome the start of the United Nations International Decade of the World's Indigenous People.

The goal of the decade is to strengthen international co–operation for the solution of problems faced by indigenous people around the world. Canada fully supports this goal and the theme of the decade: "Indigenous People: Partnership in Action".

The Department of Indian Affairs and Northern Development is co–ordinating the federal government's domestic efforts to mark this decade. Preliminary discussions have been held with aboriginal groups to obtain their views. A national conference is being organized for early in 1995 to set out Canada's preliminary action plan for the decade.

We look forward to the development of this plan as well as the development by the United Nations of a comprehensive world program of action.

I encourage everyone to support the goals of this important decade.

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VIOLENCE AGAINST WOMEN

Mr. Russell MacLellan (Cape Breton—The Sydneys, Lib.): Mr. Speaker, one of my colleagues recently stood in the House and admitted that she was beaten by a man.

A member of the Reform Party tried to connect this to the tragic situation five years ago in Montreal at l'École polytechnique by saying: "Let's not bring disrespect to that day by trying to use it for an inappropriate political agenda".

What is more appropriate than women saying in the House and across the country that abuse against women and children is not acceptable and they are not going to stand for it?

What better testimony to these 14 young women than the courage of the women of Canada in the support of abolishment of abuse against women? What is more appropriate than members standing individually and collectively to abolish violence against women in this country?

TAXATION

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the Minister of Finance keeps telling us that his government is ready to listen to Canadians.

Witnesses told the finance committee that Canadians are taxed out. Reform listened to this and recommended that there be no new taxes. The government members on the other hand recommended a billion dollar gasoline tax.

• (1115)

I am hard pressed to remember anyone who came before the committee and said to tax gasoline.

Canada's business, academic and opinion leaders appeared before the committee and said that 3 per cent is not enough. They said that we have to stomp out this deficit. We have to kill it before the next recession.

Reform heard the message and recommended the budget be balanced in three years. The Liberal members continued to stick with the 3 per cent target.

A fair question is who was really listening to Canadians? It certainly was not the government members.

As the Minister of Finance finalizes his plans for the next budget I can only hope that he listens better than his Liberal friends.

* * *

STATUS OF THE ARTIST ACT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on June 23, 1992 Bill C–7, an act respecting the status of the artist and professional relations between artists and producers in Canada, received royal assent.

The government repeatedly promises to reform social programs and the economy to meet the needs of the new economy. The Liberals say they are committed to restructuring and encouraging stable growth in the areas of self–employment and small business. Yet when it comes to action to implement a model to empower the self–employed worker the government has done nothing.

The legislative and regulatory approach in the Status of the Artist Act is nothing less than a crucial step and the foundation for this new self–employment based economy. The approach to labour relations in this act has the approval of the 2.3 million workers in the Canadian Labour Congress.

On Wednesday, more than two years after the law was enacted, more than 500 cultural workers rallied in Toronto to push the government for action. When will this government show its commitment to these small business entrepreneurs and the people who elected it?

ORAL QUESTION PERIOD

[*Translation*]

DRAFT BILL ON QUEBEC SOVEREIGNTY

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday during the debate on the Official Opposition's motion to recognize the legitimacy of the process initiated by the Government of Quebec to determine its political future, government members repeatedly referred to Quebec's initiative as illegitimate, illegal and undemocratic, while during Question Period, the Prime Minister referred to it as raising unnecessary complications.

How can the Prime Minister refer to the process initiated by the Government of Quebec as raising unnecessary complications, when it is essentially based on two components, a draft bill and a very comprehensive process providing for genuine consultations with the people of Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, in addition to the opposition in Quebec City, there is also the government right here, the federal Liberal Party, as well as a steadily increasingly number of people in Quebec who realize that this is not a normal process, that the dice are loaded and that 13 out of 15 committee members will be appointed by the government.

We have a "yes" committee, financed by a government that is not financing any "no" committees. They do not need any committees or studies. Let them ask an honest question, no stratagems to confuse people but an honest question: Do you want to separate from Canada, yes or no? Not more than two lines, and the answer will be clear: Canada will win!

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, how can the Prime Minister question the process initiated by the Government of Quebec, a process initiated by tabling a draft bill, when a similar procedure was used in 1980 by the Liberal government of Pierre Trudeau which included the Prime Minister, a government that tabled a resolution in this House to initiate the unilateral patriation of the Canadian Constitution?

Why, when he was a member of that government, did the Prime Minister feel that tabling a resolution was acceptable, and why now, because the Government of Quebec is involved, does he no longer feel that this procedure is acceptable? Let him explain that, Mr. Speaker.

• (1120)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are only asking them to be honest with the people. In 1980, all observers accused the government, and especially Mr. Morin, who was in charge of the step–by–step process, of hiding the question in a maze of 114 words.

The government's draft bill uses 1,645 words to try and hide the truth from Quebecers. The truth is, they are all separatists but do not want to be labelled as such. They are all for separation but say they support sovereignty. Be honest. Say what you are. Say you are separatists and want separation. The people will vote, and Canada will survive!

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is absolutely incredible to hear the Prime Minister criticize the Government of Quebec for setting out its plans for sovereignty in reasonable terms, when he and his colleagues keep saying in this House: Go ahead and tell us what your plans for separation are. Tell us what kind of Quebec you want. Tell us what kind of country you want. Today, however, the Prime Minister says: Make the question short. Do not bother to explain.

Some hon. members: Hear, hear.

Mr. Gauthier: If the Prime Minister takes this matter seriously, he will have to answer this question: How can the he question the legitimacy of the consultation process, when it is basically the same one used by the Bélanger–Campeau Commission that was set up by the previous Liberal government, a process in which the Minister of Intergovernmental Affairs was a participant? It was all right for the Bélanger–Campeau Commission at the time, but not any more.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, turning up the volume does not make it a good question.

Mr. Speaker, when appointing the Bélanger–Campeau Commission, the leader of the government at the time consulted the opposition. Everyone was fairly represented. It was not 13 against 2.

Second, among the statements in the 1,645 words the draft bill contains, one says there will be an economic union with Canada. That is not up to Quebec to decide. Canada will decide. It says they will keep their Canadian citizenship. This is not up to the Government of Quebec to decide. The Parliament of Canada will decide. It says they will use Canadian currency. The Parliament of Canada will determine interest rates, not the Government of Quebec.

So in a bill like this one where all the decisions will be made elsewhere, people should at least have a say, before concluding that one can become independent and stay in Canada at the same time.

I am glad to see there has been some progress. This is the first time the word separation was used by the hon. member for Roberval. Bravo. At last the truth is out.

Mrs. Maud Debien (Laval East, BQ): I too, Mr. Speaker, have a question for the Prime Minister.

The referendum debate has been initiated and the people of Quebec will soon be deciding their future democratically. In his autobiography, the Prime Minister says that he and others like him are betting on democracy, that they will set out to convince the people of Quebec to remain within Canada and win, and if they are not successful in their attempt, they will abide by the wishes of the people and go along with the separation.

Does the Prime Minister still stand by what he said in his biography and does he still recognize that the people of Quebec have the right to leave the Canadian federation if such is the democratic choice they make in a referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I made myself quite clear: all we want is that a referendum be held as soon as possible, with a plain and clear question.

• (1125)

We all know what is going to happen. That is why they are trying to dilute their proposal with 1,600 words, when the honest question to ask would be: "Do you want to separate from Canada, yes or no?"

I do not even have to answer a hypothetical question. There is no doubt in my mind that Canada will win. Come on!

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the Prime Minister is three questions behind answering mine.

Some hon. members: Hear, hear.

Mrs. Debien: Contrary to what the Prime Minister thinks, and considering that the consultation process gives the people of Quebec every chance to express their views not only on the content of the political proposal, but also on the referendum question, does the Prime Minister not recognize their right to decide themselves the wording of the question that they will have to answer in the referendum on their political future?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Quebec federalists have the right to have a say in the wording of the question, so that it is plain and clear. The rest of Canada is also entitled to a question that is plain and clear.

Just think of the number of people who are presently refusing to participate because of the ambiguity, the trickiness; they are trying to trick people, they are using gimmicks. The Conseil du patronat, the Quebec chamber of commerce, the Quebec farmers' union, the Quebec manufacturers' association, and every federalist party in Quebec—and even Mario Dumont—do not want to participate because they do not want gimmicks, they want the truth, period.

[English]

TAXATION

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the Finance committee report which was tabled Thursday contains a number of proposals and recommendations for possible tax increases, taxes on gasoline, on lottery winnings, on businesses and on cigarettes.

The deficit reduction surtax that is introduced would hit everyone who lives and breathes. Just to make good and sure that the report did not miss anybody the committee suggested going after dead people too by introducing an inheritance tax.

Will the Minister of Finance distance himself from this grab bag of potential taxation measures and commit to tabling a budget which does not increase taxation?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the hon. member knows that I will not comment on individual suggestions. He also knows that the government's budget will come down when it presents the budget.

I would like to take this occasion to congratulate all members of the finance committee. They heard over 650 witnesses. I would like to also congratulate the witnesses who came forth and testified. I believe that the majority report will provide a very valuable contribution to the debate. An enormous amount of work went into it.

I would like to congratulate our members on our side of the House. At the same time I would like to compliment the members of the opposition and the third party who put a great deal of work into their efforts. I assure members I will look at each and every suggestion.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, we appreciate the minister's comments with regard to the process. In that Liberal majority report there is a very important item. There is an indication that we could potentially have a $1 billion tax grab by an increase on gasoline taxes.

One of the comments he raised as a challenge to the committee was when he said in determining which areas of the tax system should be scrutinized more closely, several principles have been adopted. Initiative should help make the economy more efficient. Initiative should improve the fairness of the system and broadening the tax base is preferable to rate increases.

Does the proposed gasoline tax satisfy any one of these three principles?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the minister will—

Some hon. members: Oh, oh.

Mr. Martin (LaSalle—Émard): He was a minister. That is why his questions often make sense, unlike the vast majority of his colleagues.

• (1130)

I think what the committee attempted to do was really deal with the unfortunate fact that when a government makes cuts, as the member will know from his previous experience, those cuts do not show up immediately, there is a lag time which must be taken into account.

What was said in the report is that therefore certain tax actions may well be required. That is part of the balance and it is obviously the kind of thing the Minister of Finance and the government will have to take into account.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, one of those potential tax measures that may have to be taken in light of what the minister said is the deficit reduction surtax that could be used in an emergency contingency arrangement.

As Reformers we believe that if there is any kind of a contingency plan in place it should be for expenditure reduction, not for tax increases.

My question to the Minister of Finance is, having heard the anti–tax sentiment of a majority of the witnesses who appeared before the finance committee, can he support at this time increasing taxes in any way on every single Canadian before one dime is cut from the government's $1 billion boccie, incorporated infrastructure program as an example?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as I understand, the members of the third party are going to be submitting their suggestions as to that whole segment of government spending that has not been dealt with yet in their report.

I hope when they do that they will deal first with the impact of those particular cuts. I also hope that in terms of both segments of their report they will deal with the timing as to when the cuts will take place so that it can be dealt with on a rational basis.

The member is nodding. I am sure they will do that and I look forward to receiving that report.

In terms of the infrastructure program, having gone across this country, having talked to mayors in municipalities across this country and to all the Canadians who went back to work and seeing the effect on productivity of the very important reports, that infrastructure program is an essential part of the Canadian recovery.

[*Translation*]

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Solicitor General.

Several months ago, the Solicitor General asked the Security Intelligence Review Committee to look into the allegations involving Grant Bristow when he worked at CSIS. Mr. Bristow is accused, among other things, of creating the Heritage Front and of inciting its members to racist violence.

Does the Solicitor General promise to table the review committee's report on the Bristow affair with the Parliamentary Committee on National Security before we adjourn for the holiday season?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I just received SIRC's report this morning. It is a very bulky report. I must review it and see what I can do about making it public in the light of the relevant legislation. I intend to make public as much of this report as possible, and I will make the necessary decisions as soon as possible.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, Douglas Christie, a B.C. lawyer who defended members of the extreme right in 1989, has accused CSIS of inciting violence against Jews and of interfering in his clients' trials.

Can the Solicitor General tell us if the recent investigation by the review committee also dealt with Mr. Christie's accusations?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I just received the report about an hour ago. I did not have time to review it. However, I think that SIRC knew about Mr. Christie's allegations and I look forward to reviewing this report because, as I just said, I intend to make public as much of it as possible.

[*English*]

Earlier this morning I received the report of the Security Intelligence Review Committee on the allegations involving the Heritage Front. It is a very comprehensive and bulky report. I have not had time to review it. I intend to do this as quickly as possible. Once I complete this review I will be able to make decisions about how much can be made public in the light of the relevant legislation.

It is my intention to make as much of this report public as possible because of the interest in its contents, as much as I can in the light of the legislation that deals with this matter.

• (1135)

IMMIGRATION AND REFUGEE BOARD

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, it was announced about an hour ago that Mr. Schelew, vice–chair of the Immigration and Refugee Board, had chosen to resign rather than face a judicial inquiry into his conduct. Government counsel accepted his resignation and recommended to the judge that the inquiry be halted immediately, saying that no public interest would be served by pursuing this matter further.

Given the allegations of widespread irregularities in the IRB, why did the justice minister not recommend that the inquiry be expanded to include the entire operations of the IRB and what led to this investigation in the first place?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member will understand that the inquiry was directed under a section of the citizenship and immigration act which defines the proper ambit of the inquiry.

Under that section a judge appointed for that purpose is directed to inquire only into the allegations with respect to a particular member of the board and is confined to making recommendations with respect to what should happen as a consequence of any findings. That is by statute. The terms of reference for the judge in question were dictated by statute and were provided accordingly.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, the Immigration and Refugee Board has lost its legitimacy and credibility. I ask the minister again, in light of what he just said, given that inquiry is done with, will he now order a new inquiry to continue to get to the bottom of the allegations of impropriety in the IRB? If not, why not?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the premise of the hon. member's question is completely untrue. The legitimacy and the integrity of the board are not in question in these proceedings.

As to the broader question, this government has confidence in the process. In the final analysis it will be up to the Minister of Citizenship and Immigration to come to his own conclusion about the broader matter which has been raised here today.

* * *

[*Translation*]

INCOME TAX

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, in the finance committee's report, the Liberal majority suggests that the Minister of Finance increase the tax burden on all Canadian taxpayers by levying new taxes, including a temporary surtax which alone could raise at least over a billion dollars for the federal treasury.

Can the Minister of Finance promise in this House to reject any proposal for new taxes or charges that would affect mainly the middle class, including this ridiculous idea of a surtax?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as I just said, I repeat that I promise to read and consider carefully the suggestions in the majority report. I also intend to read the minority reports from the Bloc Quebecois and the Reform Party.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, why does the minister not immediately rule out these suggestions for new taxes and why does he not make a solemn commitment to immediately attack the real issues, namely family trusts, tax shelters, the $6 billion in unpaid taxes, waste and duplication? That is what people came to tell the finance committee. They did not come to say to raise taxes, to cut social programs further, to attack the unemployed, the poor, students and seniors. Had he been there, he would have understood right away.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the member knows very well that in our last budget, we closed a great many loopholes and I must say that we really began to act in many fields, even on the suggestions which the member just mentioned.

That being said, I read the Bloc's report carefully and perhaps I would like to ask a question myself, Mr. Speaker. I definitely noted that the Bloc picked up Richard Le Hir's suggestion about $3 billion in duplication and overlap. Am I to understand now that Richard Le Hir is the big economic thinker for the separatist movement in Canada?

* * *

• (1140)

[*English*]

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, on Wednesday the Minister of Justice dismissed opposition from provincial justice ministers saying: "We govern by what is right". Reformers are getting calls from the police on the street saying that registration will not work.

If the minister will not listen, why is he consulting? Is his only justification for the registration of 10 million to 20 million firearms that he and the Liberal cabinet think it is right? Can he tell Canadians why he is ignoring such convincing and credible opposition to his proposals?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in the first place the Canadian Association of Chiefs of Police has been asking for this measure for the last dozen years.

The other point may explain why the hon. member is receiving complaints. Last night I received a petition from a colleague of the hon. member in his party, a petition signed by people who oppose registration and other features. The petition decried government legislation that would ban rifles and shotguns, impose a $100 per gun registration fee and put limits on the amount of ammunition that will be available for sale. Those have nothing whatever to do with the proposals that we have put before this House. I would sign that petition.

I am here to say that people should be honest with the Canadian people about what these proposals are all about.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, if this government would come clean and explain exactly what registration is all about and what it would accomplish, we would not have these difficulties.

The chief inspector and registrar of firearms in the state of Victoria in Australia recommended that its firearms registration be abolished after three years of trial in the 1980s because it did not control the criminal misuse and irresponsible use of firearms. If that were clearly communicated we would not have this problem.

Does the minister have measurable objectives and what will he do when his registration system fails to reduce violent crimes? Will he abolish it like Australia did, or will he ban even more guns and place more restrictions on law–abiding, responsible gun owners?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, when Canadians want advice with respect to their health they consult doctors. When we want to know how to reduce the crime rate in this country we speak to the police. The police in Canada, not in Australia, have for a dozen years been asking this government for gun registration. I suggest we take the advice of the experts and put registration in place.

* * *

[*Translation*]

BOSNIA

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question was for the Prime Minister, but I will put it to the Deputy Prime Minister.

While the international community continues to drag its feet regarding the measures required to bring Bosnian Serbs to their senses, and now threatens to withdraw its peacekeepers, Canada does not seem to be making a significant contribution to the peace process. Yet, the Minister of National Defence clearly said that it was a shame that Canada was not part of the contact group, adding that he hoped the Prime Minister would raise this issue in Budapest.

Will the Deputy Prime Minister tell us if the Prime Minister raised this issue in Budapest, and will she confirm that Canada is still not part of the contact group?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, during his visit to the CSE conference in Budapest, the Prime Minister had a number of bilateral meetings with leaders from many countries, including those of the contact group.

We have been assured that our views are being fully heard by the members of that particular group and that our input is valued. I think that goes some way to addressing the concerns that I outlined last week.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, are we to understand from the minister's answer that Canada is still a powerless actor and is content to be a mere onlooker, at a time when negotiations are deadlocked? Is it not time for the Canadian government to propose concrete solutions to convince the Bosnian Serbs to accept a peace plan?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, events of the last week have shown that the efforts to achieve peace in the former Yugoslavia have broadened beyond any five countries that are now in the contact group. A number of countries are involved. I think the statements made by the Prime Minister publicly and the representations made by the Minister of Foreign Affairs and the Prime Minister privately should assure Canadians that Canada's voice is being heard.

* * *

• (1145)

THE ENVIRONMENT

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, my question is for the Minister of the Environment.

The Minister of Indian Affairs and Northern Development has asked that an environmental assessment panel be appointed to conduct a public review in the Lac de Gras area of the Northwest Territories. The proposed review would focus on the environmental and socioeconomic effects associated with the BHP Minerals Canada Ltd. diamond mine.

Would the minister please tell the House when this panel will be appointed?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I appreciate the question from the member for Brandon—Souris. I wish to inform the House that earlier today I announced the appointment of a four person independent panel to conduct a full public review of the BHP diamond mine proposal.

The panel will start its organizational work immediately. It will make sure that all interested groups, individuals, parties and organizations will be provided with the opportunity to participate. It will ensure that any decisions on the BHP proposal are only made after a full open and fair consultation and consideration of environmental and socioeconomic effects.

* * *

GUN CONTROL

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, the Liberals have stood in this House and repeatedly stated that after an intense and lengthy consultation process they have compiled a list of handguns, the primary use of which could only be in the form of criminal activity.

My question is for the Minister of Justice. How is it possible that the Shooting Federation of Canada that facilitates the rules and regulations of this type of firearm to be utilized in shooting competitions like the PanAm games and the Olympics was never consulted by anyone from this Liberal government over the practicality of banning these types of firearms?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in the first place I met with representatives of that federation on more than one occasion. The most recent meeting was in my office here in Ottawa within the last six weeks.

Second, all of the international legitimate competitions using handguns were considered. The conclusion to which we came was not that the handguns proposed to be banned are primarily used in crime as the hon. member stated. We concluded that the handguns proposed to be banned are not used in legitimate competition. If they have no legitimate use then the logical question is: Why are they in the hands of Canadians?

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, when we telephoned the organization in question it said it was never consulted. It also suggested that because this particular gun is used by many people in the Olympics and in the PanAm games this puts the PanAm games in jeopardy because a full length of programs cannot be offered.

Could the minister comment on the validity of those statements?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would be happy to speak with the hon. member and tell him about the particulars of my meetings with the shooting federation.

The hon. member did not mention a particular handgun in the course of his question, but if he has a specific calibre or model of handgun in mind I would be happy to discuss it.

I can say there is a handgun which is specially registered. A .22–.32 calibre interchangeable barrel is used in international competition. We have already made it clear that firearm will be permissible because it is indeed used in that sort of competition.

* * *

[*Translation*]

HUMAN RIGHTS

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is for the Deputy Prime Minister. A few weeks after the Prime Minister's pompous economic mission to Asia, it is important to bring up the sad story of Tran Trieu Quan, a Canadian businessman held prisoner in Hanoi for over eight months without any charges being laid against him. This case could help us better understand the new attitude of a government that considers respect for human rights less important than trade relations.

• (1150)

Are we to understand that if the Prime Minister took such a timid stand for human rights in Asia, it was because of his inability to protect the fundamental rights of this Canadian prisoner in Vietnam?

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, first of all, I want to thank the hon. member for raising this very importance issue. I want to assure him that the Canadian government has raised the issue on several occasions, not only with the Vietnamese government, with whom we have had further talks, but also with various organizations such as the United Nations.

I have noted his question and will get back to him as soon as possible, on this specific case.

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, seeing that the Canadian government is unable to resolve the Quan case and obtain guarantees for the safety of Canadian businesspeople, how can the Deputy Prime Minister pretend that business executives will accept such risks in their future trade relations with Asia?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, as the Parliamentary Secretary to the Minister of International Trade explained quite clearly, the Prime Minister himself raised the issue when he was in Vietnam and he is pursuing the matter.

That being said, it should be emphasized, as indeed we did before the Prime Minister's Asian tour, that I have personally reviewed every comment made by the Premier of Quebec when he was the host of the governor of a Chinese province and, each time, he adopted the same policy as the Government of Canada.

He stressed the issue intensely in private, but did not make public statements. The Premier of Quebec never made any public statement on human rights in China.

* * *

[*English*]

GUN CONTROL

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, my question is for the hon. Minister of Justice.

The Minister of Justice has stated that any new firearms legislation will apply equally to all Canadians. On the other hand, the Minister of Justice and the government have also made assurances that special gun control provisions will apply to Indians living in self–governed areas of Canada.

Will the Minister of Justice today clear the air and tell this House if the government indeed is considering special firearms provisions for Canadian Indians?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I can say in response that we emphasized in the material tabled last week that there will be principles which govern firearms in Canada. They will be universal, invariable and will apply to all. We also emphasized that in their application we shall demonstrate a flexibility which reflects the unique circumstances in various regions of this country, including aboriginal communities where for example some people hunt for sustenance.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, just as background, Bill C–34 permits self–governing bands in the Yukon to control or prohibit the possession and use of firearms. On October 4 the hon. Minister of Justice did say he would consider special legislation and will show respect to the Indian nations. Canadians are confused about the justification of statements like this when they consider themselves as responsible firearm owners as anyone else in the country.

Would the minister clarify the issue today and tell Canadians if there will in fact be equality in the application of the new firearms legislation, or will special legislation regarding the use of firearms be extended to Canadian Indians in Canada?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the principles will be universal and invariable.

I visited the Northwest Territories to speak to the residents about firearms. I visited a remote community and was told that there are eight official languages in that territory, 75 small communities, some of them hours apart. It became clear to me, as it should be to all of us, that the universal principles in their application to such communities must be flexible. We are not proposing special legislation but flexibility in the application of universal principles to the reality of local circumstances.

* * *

• (1155)

IMMIGRATION

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, my question is for the hon. Parliamentary Secretary to the Minister of Citizenship and Immigration.

Yesterday Canadians were distressed by reports in the Toronto *Sun* that the department of immigration is browsing for technology to produce the new permanent resident's card in the United States. Say it ain't so. C'est incroyable. Surely it cannot be true that our hon. minister has become a cross–border shopper.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I rush to reassure the hon. member that it ain't so. Indeed the minister is not only not cross–border shopping, he has been browsing and shopping where he should, in Canada.

Two contracts have already been issued to Canadian companies. The first was awarded to Datacard Canada Inc. of Mississauga in the amount of $3,209,714 over a three year period. The other was awarded to Security Card Systems Inc. of Markham, Ontario in the amount of $1,608,500 over a three year period. I thank the hon. member for the chance to clear up this base canard.

* * *

[*Translation*]

GLIDING SCHOOL

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, my question is for the Minister of National Defence.

In September, cadet staff asked for a feasibility study on moving the Saint–Honoré gliding school in the Saguenay region to Saint–Jean. At a meeting on Wednesday, cadet leadership confirmed to me and to the safeguard committee that the requested study had been completed and that it could be sent to us if permission was given.

Since a decision on this move must be made in the next few days, can the minister declare an appropriate moratorium, ask the department to provide a second assessment of the two sites, especially with respect to safety, from the Department of Transport so that the best possible decision can be made, and have the feasibility study sent to us?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am not aware of the specific case the hon. member has outlined this morning. I will certainly get him the details.

The hon. member should know that as a result of the white paper, with the reduction of the reserves from 29,000 to 23,000 there will be some major changes as to how the reserves work in Canada. This may affect a number of communities across the country.

No decisions have been taken. We are working on a plan of action to be fair to the cadet movement which we want to enhance and also to the reserves in general. Certainly we believe decisions that are taken must make operational sense.

I will get an answer for the hon. member and will communicate with him directly.

* * *

GUN CONTROL

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, domestic violence is a serious problem in need of remedy, but increased gun control is not the answer. Less than half of all spousal homicides are committed with guns, whether they are registered or not. Domestic violence has been studied for over 20 years. It has been studied to death and there has been no action.

My question is for the justice minister. What specific plan does he have to address the root causes of domestic violence other than ineffective gun registration?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, every six days a woman is shot to death in this country. Seventy–five per cent of the female victims of homicide are killed in their home by somebody they know. By a margin of two to one the weapon of choice for such murders is a firearm. In 80 per cent of those cases that firearm is a rifle or shotgun legally owned. I cannot accept the premise of this question that gun control does not at least in part address the tragedy of domestic violence.

* * *

HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, my question is for the Minister of Justice on the eve of International Human Rights Day.

• (1200)

For over eight years, since March 1986, a series of justice ministers have stood in the House and solemnly affirmed their deep commitment to amend the human rights act to end discrimination based on sexual orientation.

In view of the fact that this minister has promised repeatedly to table this amendment by the end of the year, this month, how does he explain to lesbians and gay men that he may join previous Conservative ministers in breaking this promise and giving in to the Neanderthal McTeague 46 in his own caucus.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I regret the hon. member's reference to the Liberal caucus. The commitment of the government to the implementation of that amendment is unquestioned.

Just the other day in the House I had the opportunity to reaffirm it. The Prime Minister, the deputy Prime Minister and this party stand firm with that commitment.

As I also said the other day, the question of timing is not the one that should be central. The question is one of principle and on that we are firm.

* * *

BAUSCH AND LOMB

Mr. John Godfrey (Don Valley West, Lib.): Mr. Speaker, recent newspaper articles state that the company Bausch and Lomb has been misleading buyers of contact lenses. It appears that the company's short, medium and long term use contact lenses sell for $10 for the short term to $200 for the long term. The problem is they are all the same contact lens.

What can the Minister of Industry do to protect consumers against such deceptive marketing practices?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first may I assure the member that I am very concerned with the published reports that were in the newspaper this week.

I have been advised that the Ontario College of Opticians is ensuring that their customers are aware of this. It is important that opticians make sure their customers see clearly the difference between these types of lenses and their cost.

The bureau of competition policy, which administers the laws with respect to misleading advertising, dealt with over 10,000 complaints of various sorts last year. As yet it has not received a complaint concerning this matter. They are very attentive to the situation and will deal with it accordingly.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 19 petitions.

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I have the honour to present the 53rd report of the Standing Committee on Procedure and House Affairs regarding amendments to the standing orders.

[*Translation*]

I also have the honour to table the 54th report of the Standing Committee on Procedure and House Affairs on how to promote more direct involvement by citizens. This report is a follow–up to the order of reference tabled in this House on February 7, 1994.

[*English*]

Mr. Robinson: Mr. Speaker, a point of order. I rose during the item of presentation of Private Members' Bills. I have a bill.

The Deputy Speaker: Is there unanimous consent to revert to presentation of Private Members' Bills?

Some hon. members: Agreed.

Mr. Robinson: Mr. Speaker, I have given notice to the table that I seek to introduce a bill that would repeal the provisions of the Criminal Code in section 43.

• (1205)

The Deputy Speaker: If members will be kind enough to give us a moment, we will get the correct forms.

* * *

PETITIONS

SERIAL KILLER BOARD GAME

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have several petitions I wish to table this morning. The first one is a petition signed by a group of Canadians asking that the serial killer board game be banned.

With this new tabling today, the total number of petitioners is now 118,756.

ASSISTED SUICIDE

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I also have a petition signed by 861 people who would like to state their disagreement with any provision to remove portions of the Criminal Code that would permit assisted suicide.

HUMAN RIGHTS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have a number of petitions from Canadians asking that Canada not consider amending the Canadian Human Rights Act to include the undefined phrase sexual orientation.

THE ECONOMY

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have a number of petitions urging Canadians to set aside their differences and to work toward the betterment of the economy and the future of all Canadians.

ABORTION

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have a number of petitions asking that abortions not be permitted in Canada. These are Canadians living in the province of Nova Scotia.

ASSISTED SUICIDE

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, the next petition is from residents also living in Cape Breton. These Canadians ask that Parliament not permit the aiding and abetting of suicide or any other form of euthanasia.

HUMAN RIGHTS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): My final petition, Mr. Speaker, is also from people in Sydney, Nova Scotia. They do not wish to see the phrase sexual orientation included in the Canadian Human Rights Act.

[*Translation*]

ASSISTED SUICIDE

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I am tabling three petitions on behalf of residents in the riding of Carleton—Gloucester.

[*English*]

The first petition calls for Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be retained without changes and enforced in order that Parliament not sanction or allow the aiding or abetting of suicide or euthanasia.

HUMAN RIGHTS

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, the second petition asks that Parliament not amend the human rights code, the Canadian Human Rights Act and the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships.

RIGHTS OF THE UNBORN

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, the last petition, which was circulated by Mrs. Rita Curley and others, calls for Parliament to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

TOBACCO PRODUCTS

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, pursuant to Standing Order 36, I have a large number of petitions from the Northwest Territories, Ontario, Manitoba and Alberta.

The petitioners note that tobacco products are clearly linked to many forms of cancer, heart disease, stroke, emphysema, chronic bronchitis and many other illnesses; that the use of tobacco products is responsible for the premature death of some 38,000 Canadians annually, and therefore that tobacco can rightly be termed a hazardous product.

The petitioners call on Parliament to remove the exemption for tobacco under the Hazardous Products Act.

RIGHTS OF THE UNBORN

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I have several petitions to present this afternoon. The first petition asks that the protection enjoyed by born human beings be extended to unborn human beings.

ASSISTED SUICIDE

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, the second petition deals with assisted suicide.

• (1210)

The petitioners ask that the prohibition of assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

WITNESS PROTECTION PROGRAM

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, the third petition has to do with the witness protection act. The petitioners pray that Parliament enact Bill C–206 at the earliest opportunity to provide the statutory foundation for a national witness relocation and protection program.

HUMAN RIGHTS

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, the fourth petition deals with not allowing the amending of the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

GUN CONTROL

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, finally, petitioners request that Parliament refuse to accept the anti–firearms proposal of the Minister of Justice and insist that he bring forward legislation to convict and punish criminals rather than persecute the innocent.

The last petition represents a number of constituencies, including some petitioners from Okanagan Centre. The other four petitions are all from constituents of Okanagan Centre.

HUMAN RIGHTS

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I rise today pursuant to Standing Order 36. I have the honour and privilege to table three petitions duly certified by the clerk of petitions and signed by constituents of Brandon—Souris.

The petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act, or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

OFFICIAL LANGUAGES

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, certain petitioners of Brandon—Souris pray that Parliament enact legislation providing for a referendum of the people to accept or reject two official languages, English and French, for the government and the people of Canada.

SERVICE CLUBS

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, the signatories of the third petition recognize that with cutbacks to services to communities, families and individuals in order to balance budgets, more than ever there is a need for service clubs in all communities.

In recent years memberships of service clubs throughout the country have been declining. In these times of monetary restraint service clubs would find it easier to recruit new members if the financial factor could be alleviated.

The Brandon—Souris petitioners pray that Parliament act immediately to amend the Income Tax Act, allowing the members to deduct their membership dues from their taxable income in the same manner as union and professional dues.

HUMAN RIGHTS

Mr. John Godfrey (Don Valley West, Lib.): Mr. Speaker, I wish to present a petition this morning asking Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation and to adopt all necessary measures to recognize the full equality of same sex relationships in federal law. It has my support.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I am very pleased to rise today to present a petition with over 1,000 signatures from my constituents who pray that Parliament not amend the human rights code, the Canadian

Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or homosexuality.

I concur with the petition.

ASSISTED SUICIDE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today to present five petitions dealing with the subject of doctor assisted suicide.

The petitioners are opposed to any legislation that would permit doctor assisted suicide because it demeans the value of human life.

Therefore the petitioners call on Parliament not to enact any legislation that would allow doctor assisted suicide.

EUTHANASIA

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, I have the honour to present a petition which is signed by petitioners from my constituency of Burnaby—Kingsway including the Seton Villa seniors residence as well as residents of Port Moody—Coquitlam and a number of other constituencies.

The petition calls on Parliament to amend the Criminal Code to ensure the right of all Canadians to die with dignity by allowing people with terminal or irreversible and debilitating illnesses the right to the assistance of a physician in ending their lives at a time of their choice, subject to strict safeguards to prevent abuse and to ensure that the decision is free, informed, competent and voluntary.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, on behalf of citizens of Winnipeg North Centre and elsewhere in Winnipeg I wish to present the following petition.

We the undersigned citizens of Canada draw the attention of the House to the following—

The Deputy Speaker: Order. The member will know that we do not encourage the reading of petitions. Please give a summary of it rather than read the wording.

• (1215)

Mr. Walker: Mr. Speaker, it deals with the decriminalization of assisted suicide or legalizing euthanasia and asks that Parliament continue to reject euthanasia and physician assisted suicide in Canada.

YOUNG OFFENDERS ACT

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, I have three sets of petitions to present.

The first one deals with the Young Offenders Act. The 44 petitioners ask that Parliament review and revise our laws concerning young offenders by empowering the courts to prosecute and punish young law breakers who are terrorizing society.

SPOUSAL COMPENSATION

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, the second petition is from 33 petitioners. It is with regard to spouses at home and is in response to the private member's bill of my colleague from Mississauga South which asks that we compensate spouses working in the home and caring for preschool children.

ASSISTED SUICIDE

Mrs. Beryl Gaffney (Nepean, Lib.): The third petition has 57 signatures and is presented by Mr. Norman of Nepean. It is on assisted suicide.

It asks that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I rise to present a petition from residents of Halifax West. They request that Parliament not amend the human rights legislation to include the phrase sexual orientation.

The Deputy Speaker: We will now revert to Private Member's Bills for which unanimous consent was given earlier.

* * *

CRIMINAL CODE

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP) moved for leave to introduce Bill C–296 , an act to amend the Criminal Code (protection of children).

He said: Mr. Speaker, I thank members of the House for their consent to introduce the bill at this time.

The purpose of the bill is to repeal section 43 of the Criminal Code allowing corporal punishment of children by parents and teachers.

Condoning corporal punishment can lead to physical and psychological injury and death of children, contributes to violence in society, and is contrary to both the Charter of Rights and Freedoms and the UN Convention on the Rights of the Child.

Section 43 allows punishment causing bruising and contusions. It allows children to be struck with belts and other objects. It is the relic of a bygone age and has no place in a democratic society that respects and values children.

Finally I would urge the section be repealed as part of the recodification of the general part of the Criminal Code. Several European countries have ended the legal approval of corporal punishment. I urge our government to uphold the rights of children and repeal this harmful and discriminatory section of the Criminal Code of Canada.

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

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I would ask that all the questions be allowed to stand.

The Deputy Speaker: Shall all the questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA GRAIN ACT

The House resumed consideration of the motion that Bill C–51, an act to amend the Canada Grain Act and respecting certain regulations made pursuant to that act, be read the third time and passed.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I am pleased today to speak to third reading of Bill C–51, the Canada Grain Act amendments. At the same time I express to the minister of agriculture my continuing support for the Canadian Wheat Board. I point out to him, as I know he is aware, the results of the recent wheat board advisory committee elections.

The minister must know by now that wheat board supporters won 10 of 11 seats, or perhaps I should say the supporters of dual marketing lost all but 1 of 11 seats up for election. As far as farmers and grain marketing are concerned it would appear that farmers think the Canadian Wheat Board is doing a fine job of marketing western grain and want it to continue doing a successful job.

• (1220)

It is incumbent upon the government to accept the wishes of the western farmer as expressed by this vote, which was virtually a referendum on the issue of the future of the Canadian Wheat Board, and begin issuing statements in support of the board.

This week in the House of Commons the minister of agriculture was given the opportunity to congratulate the elected members of the advisory board and to declare his personal support for the work of the board. Instead, he chose to repeat the line that he must continue consulting with farmers.

Let me quote the minister from the December 7 edition of *Hansard*, as reported at page 8784. He said:

> I do not think it would be fair to say that the vote is the be all and the end all. I do not think it would be fair to say it is the absolute last and ultimate word. It is one very important piece of evidence which is clearly supportive of the Canadian Wheat Board.

I appreciate the acknowledgement of the evidence in front of the minister, but I believe the minister must accept the wishes put before him. Therefore I say the consultation must now be concluded. Farmers have had the best opportunity they will ever have to declare support for the board and they have taken it. They support the board. They have demonstrated they support the board. The minister must not now only acknowledge it; he must act on it.

Today, however, we must also deal with the government's amendments to the Canada Grain Act. I express my support for the act and the amendments before us today, although there are additional amendments that could be made to further strengthen the act and how it applies to farmers.

Basically the latest changes in the grain act were proposed in response to changing industry conditions and as a result of producer group recommendations. They also reflect the findings of the federal government's 1992–93 regulatory review that supported deregulation and a more market responsive grain industry, a review I have taken some issue with.

Primary producers are becoming increasingly vulnerable to exploitation by various trading interests as protective legislation is systematically deregulated. Deregulation represents the transfer of power from the public to the private sector. A loss of public power means a loss of sovereignty, a loss of opportunity for redress when something goes wrong. The more deregulated the industry the more vulnerable we become and therefore ironically the more regulated we need to be. What a situation.

As members are aware the Canada Grain Act is administered by a special operating agency, the Canadian Grain Commission. Its services are provided to clients on a cost recovery basis. It is responsible for establishing and maintaining grain quality and for regulating the grain handling system.

The bill before us is designed to deregulate elevator operation charges, provide more flexibility to producers in moving their grain, and tighten licensing and liability provisions. It gives grain producers the primary responsibility for securing payment for their grain shipments from elevator operators and grain dealers licensed by the commission. It also imposes greater responsibility on licensees of the commission for making such payments.

According to some who have studied the bill, it attempts to find a balance between promoting competitiveness and at the same time maintaining quality. On the one hand, in attempting to streamline the inspection process the amendments reduce the regulatory power of the grain commission. On the other hand, the grain commission is able to prescribe more activities in its

role of protecting producers and grain quality. The grains industry in Canada has a long and arduous history.

The bill in front of us is the latest in a long list of amendments that have come before parliamentarians over the years in many different attempts to improve the movement and storage of grain.

For the record it is important for us to take a look at that history. Members of the House may find it interesting to note that the need for legislation was first recognized by a private member of the House and first presented as a private member's bill in 1898. Farmers represented a great power in the House of Commons at that time. When the private elevator companies were accused of cheating in weighing, grading and deducting for weed seeds, discriminating as to whose grain they accepted and of price fixing, it did not take long for Parliament to act.

• (1225)

A royal commission was appointed in 1900. Later that year, on the eve of a general election, Sir Wilfrid Laurier's government enacted a majority of the commission's recommendations. The 1900 Manitoba Grain Act established a grain commission to license elevators, to bond elevator agents and grain buyers, to approve handling tariffs, to inspect records and to settle disputes.

Is it not interesting that the need to regulate came at a time when the grain trade was dominated by competition from many grain companies growing like crazy and operating in a completely unregulated marketplace?

Deregulation is a direction the previous Tory government wanted us to take and it seems to be the direction the current government wants to continue. However it is a direction fraught with danger and all of us must proceed with a great deal of care.

The first amendments to the Manitoba Grain Act came in 1902 in response not only to a good crop but to apparent blackmail from the railways that were not supplying grain cars to the elevators for the movement of grain.

Another royal commission was called in 1906 in response to allegations against the grain companies. This commission verified the allegations and recommended 50 additional amendments to the act. These amendments include making elevator companies liable for damages for weight frauds, requiring samples of all bins to prevent grading fraud, paying farmers for the commercial value of screenings, and authorizing the grain commissioner to order equitable distribution of cars and to dismiss agents for fraudulent practices.

Then again in 1908 Parliament gave the grain commission full control of the cleaning, binning and shipping of grain from the terminals and the power to inspect terminal records and receipts.

The point of all this is that in the unfettered marketplace of the past farmers were being exploited or taken advantage of every time they turned around. If there is anything to be learned from our history, it is that farmers standing together with the help of their elected officials ensured that they received better and fairer treatment from the corporations then dominating the marketplace.

In continuing to look at our history we see that the farmers' need to take on the elevator companies and the railroads did not end in 1908. There were more amendments in 1912 and again in 1919 after the war when complaints over the handling and purchasing of grain again resurfaced.

Another royal commission was established in 1921 because the complaints against the corporation persisted. More changes were made and finally in 1930 things stabilized. The Canada Grain Act continues to be the basis of Canada's reputation in the world wheat market as a supplier of reliable, clean and consistently graded grain.

However, the political and economic struggle over grains did not end with the Canada Grain Act. The same forces which worked for greater farmer control in handling, storage and transportation also worked for control and fairness in marketing. The Prairie Co–Operative Pools were created in the 1920s and, finally, in 1949 the Canadian Wheat Board was formalized with monopoly control over marketing of western wheat, oats and barley.

Whatever changes are considered to the way in which grain is treated, it is very important to review history and take only those steps that acknowledge the lessons learned along the way.

Today in agriculture there are numerous changes taking place not only within Canada but around the world. The government we are facing seems to be pushing farmers again into a world of a more market oriented privatized industry where the corporations dominate and the farmers must compete not only against other countries but against themselves to participate in the marketplace.

In our fights to maintain a vision of a strong agricultural community with populated and productive rural areas, we find ourselves having to give up those things which make us strong.

• (1230)

The Crow benefit is under attack. The Canadian Wheat Board is under attack and certain protections offered by the Canadian Grain Commission are being discussed.

Just as in 1898 the farmers of Canada and the communities they support today need the support of the Parliament of Canada to ensure they are, each and every one, treated fairly in the marketplace.

There is a tremendous opportunity in the world today both for the export of bulk quality Canadian grain and in the process or value added sector. Canadian producers have to remain in the game through whatever tough times we have to face in order to be here when those opportunities come knocking at our door.

I urge the minister of agriculture to ensure Canadian farmers remain in the game. Give us the opportunities we need to stay on the farm, to reap the rewards of the opportunities coming our way in the future. Give us the opportunity to continue to ship to port under the terms of the Crow benefit. Give us the opportunity to continue marketing our grain under enhanced, not reduced, powers of the Canadian Wheat Board and give us the quality protection we need under the terms of the Canada Grain Act to ensure our reputation in the world marketplace is protected.

I believe the amendments put forward before us today in Bill C–51 allow us to provide some of the protections that are needed. That is why I will support the bill at third reading. I want to ensure the direction the government is taking in agriculture is changed to ensure that each of the farmers, each of the producers can continue to do the work they want to do for their families and their communities. I urge the government to take a strong look at our history and the value of the product coming off the farm to the future of our country.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I felt I had to respond to the hon. member who has just spoken. My response is with regard to the Canadian Wheat Board advisory committee elections. I would like to talk briefly about the tradition of these elections, what has happened in the past, what the real issue was in the election this time and about some new abuses that came into the voting this time.

The tradition of the Canadian Wheat Board advisory committee elections is that there is a very low turn out at the elections, this year under 40 per cent. The reason is that this advisory committee really has no power whatsoever in terms of the operations of the wheat board. It has no power so people tend to stay away when it comes time to vote.

These elections in the past have been won in the garbage cans of post offices. There is no personal identification involved in the voting in these elections. There was not in the past, I am not sure about this last election. People who support a particular position strongly have gone to the garbage cans and picked out numerous ballots and mailed in a good number of ballots. I have seen this happen. I have talked to others who have seen it happen and have been involved in it. That is the type of process that has taken place in the voting in the past. To my knowledge this has not been taken out this time, but I cannot say that for a fact.

There were some new abuses added to the election process this time. This is very important to point out. The board of commissioners, the commissioners who are government appointed, not elected, is supposed to oversee the election process. Therefore it plays a role very similar to Elections Canada in a federal election.

In spite of that fact these same commissioners including the chief commissioner, Lorne Hehn, were out campaigning for those who were in favour of maintaining the Canadian Wheat Board monopoly—

Mr. Penson: Trying to protect his $175,000 a year job.

Mr. Benoit: Out trying to protect his job.

We will see any monopoly and people involved in a monopoly out to try to protect their job and their personal interest. That is understandable except when this body is the body in charge of the administration of the election.

This should never have been allowed to happen. It was very improper behaviour on the part of those commissioners and I believe they should do what is right and step down because of that.

• (1235)

This kind of abuse is totally unacceptable in any kind of election, whether it is an important election or not. What this has shown is that there is a great concern on the part of these commissioners and those who supported maintaining the wheat board monopoly that things would not go their way. I think this is the reason that the commissioners, against all past tradition, have decided to get involved this time.

Because of this involvement the issue changed from the issue of dual marketing versus monopoly, which was never the issue in this election. The real issue because of the way this was presented by the commissioners and others was. Do you want the wheat board or not? All of the candidates involved in this advisory committee election want the wheat board. To my knowledge they all support the wheat board. Yet that was the way the issue was presented by the commissioners and by others and through the farm media.

This election was to determine whether farmers wanted the wheat board or not, except all of the candidates running wanted the wheat board. I believe probably 70 per cent to 80 per cent of farmers want the wheat board maintained.

That is not the issue that is important here with regard to the wheat board. The important issue is whether the wheat board should be run by an elected board of directors or by government appointment. That is the key issue, should farmers get some control over their organization, the Canadian Wheat Board. Farmers pay the total operating cost of the wheat board. The board supposedly exists for farmers. Why on earth will this

government and others not allow them to control their organization?

The advisory committee has no power and therefore is pretty much unimportant in this whole process.

Mr. Taylor: Mr. Speaker, I have heard the hon. member's speech before. I did not hear a question in what he put. However, I do have a couple of comments to make in response to the hon. member for Vegreville.

I could not help but think as he was speaking today and as I have heard him say in this House recently since the advisory board elections were completed that when you lose on substance you appeal on the basis of process.

In this case the Canadian Wheat Board advisory elections, at least in my part of the country where I had the great opportunity to talk not only to the candidates running but to many of the farmers responding, were very much discussed on the basis of support for the monopoly powers and enhanced powers of the Canadian Wheat Board or dual marketing.

Again, even in my own area the debate on the farm and in the coffee shops was not concerning itself with process but on substance. In the end when the ballots were counted the substance of the debate I think was quite clearly heard in that those who support the monopoly and enhanced powers of the Canadian Wheat Board were successful.

The member for Vegreville indicated that in some cases less than 40 per cent of farmers voted. Certainly this is not a low number in terms of wheat board elections. This is a very good turnout in terms of the history of the Canadian Wheat Board advisory elections.

I believe that every farmer had the opportunity to express an opinion and certainly those who did not quite often, as we know in politics, represent those who are satisfied. Only when those who are disgruntled vote in large numbers do we recognize the protest in their voices.

A turnout of 40 per cent in which the majority supported the Canadian Wheat Board indicates that those who did not vote would also likely support the wheat board.

I was concerned that the member for Vegreville indicated that he recognized improprieties in the voting. I am sure that on behalf of the minister of agriculture and all Canadians I would ask the member to name those he knows were involved in the improprieties and ensure that the elections are conducted fair and square and that those who are aware of the improprieties and problems that may exist within the system bring them forward to those who can act on them.

• (1240)

Mr. Benoit: Mr. Speaker, first of all, concerning the 40 per cent, I only referred to that to show that it is not regarded as a valid body that is being elected.

Does the hon. member feel that it is all right for the commissioners who are responsible to oversee the election, as Elections Canada is in a federal election, to actively campaign on behalf of one side in this election? It twisted the issue from an issue of dual marketing versus single desk marketing. They did it from their massive coverage in farm papers and local papers by twisting it instead to an issue of if you let the monopoly break the board will disappear, it will be destroyed.

I would like to ask the member if he feels it is all right that the commissioners campaigned in that way.

Mr. Taylor: Mr. Speaker, very briefly, the message that the Canadian Wheat Board commissioners brought forward is the message that I was also discussing in my constituency and so were the candidates who were running for the advisory committee.

I did not see the Canadian Wheat Board commissioners bringing forward any new information to the debate.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I am happy to rise today to speak on Bill C–51, the amendments to the Canada Grain Act.

This bill covers also the Canadian Grain Commission. It is designed to reduce the Canadian Grain Commission's responsibility in a couple of areas. Today I would like to focus my attention on government control over the whole grain industry, including that by the Canadian Grain Commission.

We have one of the most controlled industries in the world, the grain industry. No other industry I know of has the level of government control this industry has. As an active farmer, I believe this is not in our best interest. I am going to be pointing out some of the reasons for that later.

We also have a body, the Canadian Grain Commission, heavily controlled by the federal government but does not have the funding from the federal government. In other words, 92 per cent of the budget of the Canadian Grain Commission comes from producers. Only 8 per cent comes from the federal government, yet it wants to maintain in effect exclusive control. I do not think that is a good thing. We also have the same thing with the Canadian Wheat Board where it is a producer funded body and yet the Canadian government maintains control and I believe not in our best interest.

I understand the need to maintain standards. Canada is one of the most reliable exporters of grain. It has a very high quality and we have maintained a very good standard, one that could easily be done by having the Canadian Grain Commission have exclusive control through an elected board of directors rather than appointed as they are now by the federal government.

If producers are paying the bill they should have control. They should have an elected board of officers. This could easily accomplish the same goals of trying to maintain very good standards in order to maintain our customers abroad.

This bill reduces the responsibility of the Canadian Grain Commission in a couple of areas. Setting upper limits on tariffs is one area where it is going to be backing off on controls. The other is reduced payment of losses to the level of the bond of the Canadian Grain Commission on the companies that are required to post a bond.

The Canadian Grain Commission by maintaining this system of bonds must maintain and monitor that these bonds are actually effective. When a grain company is required to post a bond, if it fails the Canadian Grain Commission's liability is only to the level of the bond.

I have information from some industry people that grain dealers who post a bond only have to get back to that level at the end of every month. It is not uncommon for smaller under capitalized grain dealers to be four or more times over exposed to their bond level.

• (1245)

What message are we sending out to producers? That these people have a bond which may be up to four times less than what is really required? We should be sending a message of buyer beware. They should check out these companies and see what their reliability is and not give a false sense of security to producers when they are dealing with companies by believing that there is a bond in place to take care of the problems should the company fail.

In the past there have been cases where companies have failed and there has been heavy exposure by the taxpayer. That is not in our interests either. We need a situation whereby producers deal with companies based on their merit and historical performance. Let them know they have to check out these bonds. It does not have to be done by the Canadian Grain Commission. A false sense of security is being put in place.

My main concern is that the regulation of our whole grain industry is far too high. I talked about the Canadian Grain Commission but it also applies to the Canadian Wheat Board. The previous speaker talked about the Canadian Wheat Board and how important it is. I agree. We are also calling for a democratic election to the board of the directors of the wheat board rather than appointments to the board. This would bring responsibility back to this body which is very badly needed.

In this heavily controlled industry, including the Canadian Wheat Board, a farmer who is producing his own wheat is required to establish a mill on his farm to grind it into flour. The farmer has to buy his own wheat back through the Canadian Wheat Board and apply for permits to do that. This is ludicrous in a time when people are looking for opportunities to expand their business. This is the kind of heavy handed tactic we would see in Russia.

The Western Grain Transportation Act is another area of overregulation in the industry. It is a heavy government hand where it is not required. Grain is being shipped to Thunder Bay, back to Regina and then south across into the United States. It is called backtracking. It costs the taxpayers hundreds of thousands of dollars to continue this practice just to qualify for the Crow benefit. It is absolute nonsense. We would have expected this type of thing in Russia 10 years ago.

These are the kinds of controls we see on the Canadian grain industry. As a grain farmer I know others believe this is very much a business where we can compete very well by government getting out of our faces and letting us get on with our job. We will find the markets. We will find the most effective way of getting it there at the lowest cost.

As long as we have a heavily regulated industry like we have in the three areas I can think of offhand, the Canadian Grain Commission, the Canadian Wheat Board, both of which by the way are undemocratic, and the western grain transportation authority, it shows that we have some serious problems. In fact we do not even comply with the new World Trade Organization regulations. There is a better system outside of our country than there is internally. Things have to be resolved.

I want to take a moment to talk about the Canadian Wheat Board advisory committee and the recent elections. The member for The Battlefords—Meadow Lake talked about how this was a very important body. That is not how it is regarded in my constituency nor is it generally throughout the industry.

The Canadian Wheat Board advisory committee is just that. It is an advisory committee. It has absolutely no authority and no power. In the industry it is really seen as a very minor player in the whole scheme of things. It is seen as a public relations exercise for the Canadian Wheat Board. If the government put as much stock in the idea of having elections for the Canadian Wheat Board directors as it does for the Canadian Wheat Board advisory committee then we would be getting somewhere.

We have to apply the same principle. How can there be an elected advisory committee and not an elected board of directors of the wheat board? I think some of the reason is that the Canadian Wheat Board commissioners do not want to open up

the books, which is something that should be required. Let producers see what is happening in the Canadian Wheat Board, see if there are any inefficiencies taking place or any areas where we can make some changes.

• (1250)

Producers do not want to get rid of the Canadian Wheat Board. What I have heard from many constituents is that they want to open up the board and have it elected, effective and accountable. That is the most important thing.

When members talk about how important this election was to the Canadian Wheat Board advisory committee, that is certainly not what I am hearing throughout the country. Less than 40 per cent of farmers voted in this election. It was actually one of the higher ones, but generally it is not regarded as an effective board. People just take it as a joke and that is the reason we are not getting good turnouts. If we had an election for Canadian Wheat Board commissioners themselves I think we would see a very high turnout.

I will close by saying that with this heavily regulated grain industry in Canada we have to ask the question: Who is asking for this? It is certainly not the farmers I am listening to. People are saying to open up the process. These producers want to do more than grow grain. They want to have more control in saying how this grain is marketed and transported. They do not want a regulated industry. They want deregulation.

I believe that Canada and Russia passed in the night about two or three years ago. At least Russia is going in the right direction. It is trying to deregulate its industry while we are still going in the opposite direction. I encourage the government to open up the process or at least start by making these institutions democratic. That is the very least we can do.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 45, a recorded division on the proposed motion stands deferred until 6.30 p.m. Monday, December 12.

The Government Whip on a point of order.

[*English*]

Mr. Boudria: Mr. Speaker, I think you will find unanimous consent to defer that vote from Monday at 6.30 p.m. until Tuesday at 5.30 p.m.

[*Translation*]

The Deputy Speaker: Is there agreement with the whip's proposal?

Some hon. members: Agreed.

* * *

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.) moved that Bill C–56, an Act to amend the Canadian Environmental Assessment Act, be read the third time and passed.

She said: Mr. Speaker, today we begin the last stage of the debate on the Canadian Environmental Assessment Act. This debate has now been going on for ten years, a decade, and we are finally at its conclusion.

During this decade, several eminent persons were involved in the debate on the Canadian Environmental Assessment Act, including the former Deputy Prime Minister and Minister of the Environment, Jean Charest, and the former Minister of the Environment, Lucien Bouchard.

[*English*]

I would like to do a thumbnail sketch of how we got from where we were in 1984 to where we are in 1994 on environmental assessment.

• (1255)

Ten years ago the federal government of the day introduced guidelines to be followed in the environmental assessment of all projects which in one way or another involved the Government of Canada. The intention of those guidelines was undoubtedly good, but the result was chaos.

The guidelines were vague and subjective. On the one hand they were incredibly complicated and on the other hand they were incomplete. The result unfortunately was arbitrary and haphazard decision making. That led to over 40 significant court challenges, probably the most famous of which would be characterized as the Rafferty–Alameda and the Oldman dam decisions.

Business people were frustrated because they could not get a straight answer on whether their projects were environmentally acceptable or not. Environmentalists were frustrated because the cause of protecting the environment was lost under the weight of hundreds of thousands of pages of legal documents.

[*Translation*]

The federal and provincial governments were bogged down in legal battles on obscure points of interpretation. The people of Canada felt excluded from the environmental assessment process because, as individuals, they did not have the millions needed to become involved in such battles, even if these fights had a direct impact on their daily life, their immediate environment and their economic prosperity.

[*English*]

All political parties in Parliament soon realized the need for a law clearly defining what constitutes federal responsibility in environmental assessment. After a number of years beginning with the then Minister of the Environment, Mr. Tom McMillan, through to Minister Bouchard through to Mr. Charest, Parliament passed that law with the support of every single party. Unfortunately, once the law passed for a number of reasons it sat on the shelf and was never actually brought into force by the previous government.

During the last election, the Prime Minister promised that if elected a Liberal government would proclaim the Canadian Environmental Assessment Act. It would then introduce amendments to simplify, open up and strengthen federal environmental assessments.

Two months ago I was pleased to announce in this House that we would keep the Prime Minister's red book promise and proclaim the act. At the same time I was happy to introduce amendments to make the act fairer, more open, more straightforward and indeed to make the decision making more public.

With the passage of Bill C–56 the government will keep its red book promise. With the passage of this legislation Parliament, we the parliamentarians of Canada, will put our country at the forefront of nations in the world in approaching the extremely important issue of environmental assessment.

As our Prime Minister leaves for Miami today for the hemispheric summit, one of the issues that underpins economic development around the world is the necessity for open, transparent and public environmental assessment. Certainly this legislation will indeed underline Canada's pre–eminent position as a country that respects the open public and transparent process before projects are begun.

Environmental assessment must be a powerful tool for the future in which economic health, environmental health and human health are integrated. Indeed, that is one of the functions of the summit.

With that understanding in mind my colleagues and I have spent the last year listening carefully to environmentalists, academics, community representatives, business, labour and other levels of government and indeed most important, individual Canadians. We want to make sure the amendments we are proposing will advance the cause of sustainable development in the best possible sense. There are three simple but key amendments.

First, the federal government is implementing the principle of one project, one assessment for federal endeavours. We do not want a complicated process where there is a big assessment at the planning stage of a project, a second assessment at the implementation stage and then another assessment every time somebody decides to make a change. What is more, we do not want a whole group of federal departments and agencies conducting individual assessments on the same project. We want environmental assessments to be tough and fair. One comprehensive assessment of a project serves everyone's interest much better than several half–baked separate assessments.

• (1300)

[*Translation*]

Secondly, this bill guarantees the general public the right to participate in major environmental assessments by providing funding for their participation. This idea of involving the public was first proposed in 1987 by the former Minister of the Environment, the Hon. Lucien Bouchard, but was set aside in the bill passed in 1992.

We always believed that it was a mistake to set the issue of popular financing aside. Today, we are pleased to be able to repair this deficiency in the legislation. It is all very well to say that everyone has a right to participate, but we must ensure that they have the resources required to really be able to do so.

[*English*]

It is one thing to say that people have a say. It is another thing to give them the tools to exercise that right.

[*Translation*]

This amendment entrenches the public's right to really participate. It is the most basic common sense that those who have to live with a project have their say.

[*English*]

Third, Bill C–56 will take away the power of any individual cabinet minister to ignore or overrule environmental assessments produced by an independent panel.

Recommendations of an individual panel can only be modified by a decision of the entire cabinet. Any changes to an independent assessment will require a written, detailed public explanation for those changes.

This amendment ends the era of backroom deals made at the expense of the environment.

[*Translation*]

I am proud that our government has the honour of giving Canada a progressive, fair, practical, sensible environmental assessment system. It introduces a new way of thinking. From now on, we will make decisions with due consideration for their environmental impact. The environment completely disregards man–made geographical boundaries.

The Prime Minister constantly repeats how important Canadians consider the environment to be and we must find answers together. Canada is working actively to harmonize environmental assessments throughout the world and will be pleased to sign agreements on this. I know that every one of us here in this House wants to protect the environment and that no one wants to act against the environment for short–term gain.

I hope that our efforts to achieve positive results throughout the world will have the same results here in Canada. We must work together to avoid duplication and overlap.

[*English*]

We have demonstrated our willingness to co–operate on environmental assessment by signing harmonization agreements with two provinces already. We are a few months away from signing harmonization agreements with two other provinces. We are actively negotiating comparable comprehensive agreements across the country.

We want to show that Canada's federalism can be flexible. We want to show that at the federal level we are doing everything we can to make Canada work better for the environment, for individual Canadians, for the protection of the heritage of our children.

[*Translation*]

Unfortunately, one government recently decided to boycott the harmonization discussions: the Quebec government.

• (1305)

All those interested in protecting the environment must ask the Quebec government if it really wants to avoid duplication and overlap. Come back to the negotiation table; come back to talk to us. We are not only prepared to speed up the harmonization process, but also to meet Quebec's officials to improve our environment. When it comes to the environment, no one must act alone.

Sustainable development is a common goal for all; it is everyone's responsibility and it knows no frontier. It is important not to get involved in jurisdiction battles, so as to ensure the best possible environment for our children.

[*English*]

The amendments before Parliament will not create environmental paradise on earth overnight. They will, however, produce a solid, thoughtful and democratic foundation for environmental assessments and for making sure that environmental thinking is a central component of planning. That is what sustainable development is all about, making the right decisions before the fact instead of cleaning up after the fact.

Future decision makers, the young people of today and their children, will have to think differently than the way we thought in the past. Thanks to this legislation we believe they will have the tools necessary to translate environmental goodwill into every day decision making.

[*Translation*]

The new Canadian Environmental Assessment Act is extraordinary in that it changes our way of thinking. We must think before we act. We must think about sustainable development and we must think about the fact that the environment knows no borders.

[*English*]

One project—one assessment, public involvement, government accountability are three simple principles translated into reality by today's amendments.

[*Translation*]

We are ready to translate into reality the principles stated by the former Minister of the Environment.

[*English*]

With these three measures we will finally be ready to move forward in January with the proclamation of the Canadian Environmental Assessment Act and the agency. We can finally move forward to a new and wiser generation of environmental assessment.

It has taken us 10 years to reach the point where finally we are ready to move ahead. I want to thank the thousands of people who participated in that process.

In absentia, I would like to thank the Leader of the Opposition who was one of the first thinkers of how we could remake environmental assessment. I want to thank the former Deputy Prime Minister of Canada, the Minister of the Environment. He supported this new process of environmental assessment.

[*Translation*]

I want to thank the thousands of Canadians and Quebecers who understand so well that the environmental assessment process affects everyone's life, and that we not only have a right but a duty to participate in it. We hope that the three simple amendments which we propose—one project, one assessment; public financing, and participation of every minister in the decision–making process—will improve the process set in place by the Hon. Lucien Bouchard.

• (1310)

[*English*]

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, before I start I would ask for unanimous consent of the House to extend the clock for approximately five minutes so I may complete my speech.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

Mr. Gilmour: Mr. Speaker, I thank the House. I am pleased to have the opportunity to speak on this bill today.

Bill C–56 proposes amendments to three sections of the Canadian Environmental Assessment Act. The basic principle behind environmental assessment is addressing concerns in the early stages of development in order that action can be taken before the project is too far along. This is a relatively new process at the federal level.

A number of years ago EARP, the environmental assessment and review process, was introduced with guidelines. Not until CEAA was passed by Parliament in June 1992 did we have any meaningful legislation at the federal level. The Canadian Environmental Assessment Act replaces the EARP guidelines and provides for a new process of federal environmental assessment.

It has taken two years for this bill to be proclaimed into law. Although the bill was tabled two years ago the regulations were only published two months ago.

The minister has stated that the amended act will be proclaimed into law by January 1995. Once CEAA is proclaimed federal environmental assessment will be legislatively entrenched.

As this process is still quite new at the federal level, there are still many bumps to be ironed out. The amendments to the act contained in Bill C–56 attempt to address some of the problems already encountered with federal environmental assessment.

Bill C–56 proposes to amend the act in three ways. First it requires participant funding be established by the Minister of the Environment. Second, it encourages, where possible, that one federal environmental assessment be carried out per project. Third, it requires cabinet approval instead of ministerial approval of responses to panel recommendations.

At first sight these three recommendations appear quite positive. However a closer look at these amendments reveals that they represent few initiatives on the part of the government. These three amendments do little to change the status quo. Further, they are inadequate in living up to what they attempt to accomplish.

During the course of the subcommittee hearings we heard from several environmental experts regarding this bill. Many of these presentations expressed a common concern that Bill C–56 does not live up to its expectations. Amendments to the act to guarantee intervener funding, to broaden the scope of decision making authority and to reduce timely and costly duplication, to guarantee one assessment per project have been requested since consultations on reforming the act began seven years ago. These are worthy goals that need to be addressed but the goals are simply not realized in this bill.

I would like to address each of these three amendments in turn. The first clause amends section 4 of the act and adds a clause which emphasizes the need for responsible authorities to carry out their actions in a co–ordinated and efficient manner with a view to eliminating unnecessary duplication in the environmental assessment process. This clause has been referred to as the one project, one assessment clause.

As I mentioned during second reading of this bill, the harmonization process simply does not go far enough. Although the possibility for more than one federal assessment is reduced, the fact remains there is still duplication of the federal and provincial assessments as well as the possibility for federal duplication between various departments.

Theoretically the amendment for one assessment per project minimizes the potential for duplication of federal activities. Where more than one department is involved, federal authorities are to attempt to co–ordinate environmental assessment activity. However I want to make it clear that this legislation does not mandate one assessment per project. This amendment merely makes it mandatory to take into account existing assessments.

The bill changes the assessment process so that departmental assessments should occur simultaneously rather than sequentially. In other words, there could be simultaneous co–ordinated effort but there will still not necessarily be one assessment.

If decision making triggers occur at different points in time, a single project may still endure more than one assessment. Therefore multiple federal assessments are still possible under the act as long as there are different federal triggers for any project.

It is well understood that the single most critical issue to industry is the length and the uncertainty of the assessment process.

• (1315)

Although I am pleased that this government is taking into account the need to co–ordinate the efforts, this bill lacks teeth. It lacks the teeth it needs to give it some meaning. We simply must stop duplicating our efforts and this bill does not decisively address that concern.

As it stands the bill still fails to live up to Canadian expectations for one assessment per project. The process needs to be co–ordinated to ensure there is no duplication between federal departments. This legislation would be improved if a lead responsible authority could assist in ensuring that one federal assessment is carried out. This would be a particularly good role for the agency. Such a responsibility would give the agency a greater role in the assessment process and would assist government in streamlining its functions and ensuring that one assessment per project becomes a reality, not just a consideration.

The agency could be given the responsibility to notify departments of their potential involvement in an upcoming environmental assessment, thus streamlining and co–ordinating the process. The agency could be the most effective body to ensure that the principle of one assessment per project truly becomes a reality.

We must not only deal with duplication between federal departments but also address the duplication between federal and provincial governments. At present we currently have two federal–provincial harmonization agreements in place, one with Alberta and one with Manitoba. Bilateral agreements as the minister mentioned between federal and provincial governments are being negotiated at other levels and they are intended to reduce duplication by allowing for a co–ordinated process.

We should be working toward a common set of environmental standards and goals for both federal and provincial levels of government. Federal–provincial harmonization agreements need to be worked out and signed by the provinces and the federal government to ensure that we truly have one joint assessment per project.

Let me remind the House of the horrendous cost for duplication. Forty–five per cent of federal programs representing expenditures of $40 billion overlap and compete to varying degrees with provincial programs. That comes straight out of the Treasury Board. Canadians simply cannot afford this costly duplication of services.

The second amendment to the act seeks to ensure that responses to public panel recommendations are decided by cabinet. This means that the decision to act or to reject on a panel recommendation is not made solely by the Minister of the Environment but by the cabinet. This amendment broadens the decision making authority to include more members in the decision. However, it simply does not go far enough.

As I mentioned earlier, the spirit of this clause is to ensure that responses to public panel recommendations are decided by cabinet, but cabinet remains undefined. Cabinet could be a few ministers or it could refer to the full cabinet. The term cabinet is very loose. Cabinet has many versions and it can be many things. There are inner cabinets, outer cabinets and committees of cabinet. The term cabinet is simply too loose. As it stands, important environmental decisions can still be controlled by two or three ministers with their own agendas.

Current government amendments represent only a small step forward and they change very little. If we are to ensure that the assessment process is fair and democratic this clause must be amended to replace cabinet or governor in council by order in council.

Not all responses by governor in council are orders in council. Order in council responses are more formalized and must be published in the *Canada Gazette* and tabled in Parliament. This amendment, which would have improved the procedure, I proposed during report stage and was unfortunately rejected by the government.

Another problem with this bill is that there are no guidelines on how or when cabinet review will be undertaken. There are no guidelines which spell out which projects will be assessed or which assessments, once completed, will be forwarded to cabinet for review. I would hope guidelines for environmental assessment procedures would make it very clear to all participants exactly what the rules are.

As it stands, there is nothing to prevent cabinet from reading the report and ignoring important recommendations. There is nothing to prevent a few members of the cabinet from rejecting panel recommendations purely on a political basis.

In addition, it is not clear whether the cabinet would be able to change either a panel's recommendations or a mediator's report. There is no clear definition of what the cabinet can or cannot do. This must be clarified in the regulations that guide the assessment process, otherwise we are no farther ahead than we were before.

• (1320)

Bill C–56 is yet another example of this government's failure to live up to its red book promises. Bill C–56 effectively takes decision making authority from the minister and gives it to an undefined cabinet. What it does not do is give authority to the agency or panels as promised in the red book.

The Liberal red book promises to amend the act to shift decision making powers to an independent Canadian environmental assessment agency subject to an appeal to the cabinet. The agency's relationship to government would be roughly similar to that between the CRTC and the cabinet.

This agency simply has none of the powers of the CRTC as promised in the red book. For example, this bill does not entrust decision making powers to an independent Canadian environmental assessment agency subject to an appeal to cabinet.

The head of the agency is not independent from the minister. The minister appoints this person to the position, which again makes it more of a patronage appointment than an independent agency. In no way is this agency at arm's length from the government.

Section 7 of the CRTC legislation gives the commission licensing powers which are essentially final decision making powers. There is clearly no similar commission being proposed in this act. The panel or the CEAA is not given decision making powers or powers as responsible authority.

In addition, the CRTC under the Broadcasting Act has all the powers of the superior court. This is not the case with the assessment agency.

The CRTC is a quasi–judicial commission. This is also not the case with any of the decision making powers under the Canadian Environmental Assessment Act.

The principles of fairness of decision making which are required for the CRTC are not required for the process of decision making under the Canadian Environmental Assessment Act.

During the hearings on this bill several witnesses presented concerns that Bill C–56 does not give the agency or the panels the power to make decisions with an appeal to cabinet. This bill as presently drafted fails to address these concerns.

Clearly responsibility for environmental assessments are not in this act vested in an independent agency as promised in the red book and the relationship of the CRTC to government bears little relation to that between the agency and government.

Yet when a motion was put forward during report stage amendments to recognize the agency as an independent body, the Liberals voted it down and in doing so voted against their own red book promise. We hear so much about the red book, yet here we have the government not only ignoring a promise, but actually voting it down in the House.

There appears to be a great discrepancy between government promises in the red book and government actions in the form of legislation.

In Ontario the assessment process has been amended to make all decision making by an environmental board binding unless appealed to cabinet. In practice most decisions are final. This process works, plus it saves time and money.

I would now like to move on to the third and final amendment of this bill dealing with participant funding. Section 58(1)(i) of the act currently enables the minister to establish a funding program to facilitate public participation in mediation and assessment by review panels. Bill C–56 proposes to repeal this measure and replace it with a new section that requires the minister to establish a participant funding program rather than leaving it up to the minister's discretion as is currently the case.

Of all the stakeholders in the environmental decision making process, ordinary Canadians are those most directly affected by the environmental impact of projects. Participant funding is an important tool as it enables stakeholders to participate in the decision making process.

As I mentioned in the House on second reading, regulations are needed to guide the amount and distribution of participant funding. I recommend that the government broaden the scope when developing these regulations. The participant funding program will not be up and running until criteria are set up. Regulations could take as long as a year before they are brought into force which means that it will be some time before the participant funding program becomes a reality.

Participant funding regulations should ensure that those people directly affected by a project have an opportunity to participate. However, there must be guidelines to ensure it does not become a growth industry, funding courtesy of the taxpayer.

• (1325)

We do not want to start an intervener industry. Funding would be at a level to allow effective participation by those who can demonstrate they will be affected by a project. Guidelines for participation should consider whether the applicant represents a clearly ascertainable interest that should be heard at the hearing and whether separate representation of the interest would assist the panel and contribute to the hearing.

Guidelines should also take into consideration whether the applicant has attempted to bring other related interests under an umbrella group that would facilitate the retention of common experts and council and whether direction is included that only those costs that are directly related to the preparation and presentation of a submission are recoverable.

Regard should be given to whether there is a requirement for submissions and presentations to be conducted economically and last, whether a special power is required to deny costs in cases in which a submission or presentation is unnecessary, irrelevant, improper or the cost claim is excessive.

Alberta currently has established criteria in place for participant funding and could serve as a guide when regulations are drafted. According to Environment Canada sources the amount of participant funding is limited to $1.2 million per year and comes from the green plan. Although funds are currently limited by the budget, the number of dollars is open ended as the government can decide to increase or decrease these funds in future years.

One proposed amendment which I brought up in committee and which I feel still merits consideration for this act is that of proponents paying a portion of the intervener funding. How much the proponent would pay could be at the discretion of the minister or included in the regulations.

Some of the witnesses on C–56 raised concerns that intervener funding tends to be quite small, sometimes to the point of undermining the usefulness of having any critique whatsoever. As long as the funding comes only from taxpayers, funding will be less than if the proponent paid for a portion of the fund.

Let me make it clear, however, that I am not suggesting proponents should be forced to pay for every interested critic of a project. Guidelines would need to be quite specific in this area to protect from abuse. Several of the witnesses also suggested the agency be granted the authority to award participant funding under ministerial guidelines rather than vesting the authority solely with the minister.

This suggestion should be looked into either as an amendment to the act or as a regulation guiding the participant funding regulations. This amendment to the act would allow the agency to be empowered with some decision making powers, decision making powers that the agency is sorely lacking at present.

Participant funding regulations need to identify what the money can be used for and accountability must be assured. This amendment as it stands does not ensure that all Canadians and interest groups can participate equally in a full and meaningful way in all phases of various environmental assessment processes. This is beyond the scope of the bill. However, some choices must be made in the regulations which will ensure there is a selection process to ensure those parties that play a significant role have adequate funding.

In addition, attention must be paid to the fact that funds are not endless, nor are the timeframes for the assessment process without some constraints. It is not fair to subject one project to an endless tirade of inquiries. There must be a balance in the process to ensure a fair and reasonable assessment takes place.

In concluding I wish to take the opportunity to highlight another problem with this bill. During second reading I raised concerns regarding the amount of ministerial discretion allowed in the act. I noted the minister may or may not call for a review, and the fact that the minister appoints the mediator or panel members. These concerns were also raised by a number of witnesses.

Panel members are appointed by the minister. Therefore there is no permanent body that one could refer to as an agency that decides who will staff a particular hearing. The panel approach is hardly an independent agency, as members can be appointed at the whim of the minister to suit particular cases as the minister sees fit. This has direct influence on the outcome of any panel decision.

As well, during second reading I addressed concerns about the exclusion and inclusion list that makes up the regulations guiding what is and is not to be included in the assessment process. In addition, the fact that there are no regulations regarding the transport of hazardous waste still concerns me.

It is with regret I note the government has shown little initiative with the bill. The act as it stands remains virtually unchanged. We desperately need to move forward on environmental issues. There is little point in spinning our wheels for the sake of appearances. The bill requires reworking before it will begin to live up to the spirit that was intended. I have suggested some improvements for the bill, including my motion to change the final decision making authority from cabinet to order in council.

In conclusion, the government had the opportunity to move legislation that would have had a substantial impact on how environmental assessment is carried out in Canada. Unfortunately it failed in the attempt.

[*Translation*]

The Deputy Speaker: Colleagues, the hon. member for Don Valley North has given me written notice that he will be unable to present his motion during the hour provided for Private Members' Business next Monday.

[*English*]

Despite our best efforts and many phone calls it has not been possible to find a member who will substitute for him on Monday. Accordingly I would request the table officers to drop that item of business to the bottom of the order of precedence.

[*Translation*]

The hour provided for Private Members' Business will therefore be suspended and, pursuant to Standing Order 99(2), the House will meet at 11 a.m. for consideration of Government Orders.

[*English*]

It being 1.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

Mr. Boudria: Mr. Speaker, I think you would find consent for the following: If a vote by division bell is requested on Motion No. 257 later this day, the vote will not be deferred until Monday but will be deferred until Tuesday at 5.30 p.m.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS

[*English*]

RECOGNITION OF THE PATRIOTES OF LOWER CANADA AND THE REFORMERS OF UPPER CANADA

The House resumed from November 1 consideration of the motion.

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, it is my pleasure to speak today to Motion No. 257 under Private Members' Business. The motion seeks to recognize the efforts of certain important Canadians both in Lower Canada and in Upper Canada. I applaud the initiative because it is important for us to recognize the efforts of those important figures in our history.

It is important to recall the efforts of such people as William Lyon Mackenzie, the great Liberal leader who was the grandfather of a great Liberal Prime Minister, William Lyon Mackenzie King. It is very important to recognize the leadership efforts of Louis–Joseph Papineau, an important reform leader in Lower Canada. I applaud that initiative.

Unfortunately where I take some exception to the motion is that it is somewhat incomplete. It ignores the efforts of some important Canadians from the maritime region or Atlantic Canada, most notably the great leader from Nova Scotia, Joseph Howe, who was very instrumental in helping to achieve responsible government in the country. It is absolutely silent on the leadership efforts of Canadians such as Mr. Howe.

One would have to question somewhat the historical accuracy of the motion as I see it before me. It speaks of the Patriots of Lower Canada and the reformers of Upper Canada. Then it equates those to geographic regions as being Quebec and Canada. For those of us who have had an opportunity to study Canadian history that is historically inaccurate. The then Lower Canada is roughly equivalent to the province of Quebec, which has geographically grown many times since becoming part of Canada or since 1867.

● (1335)

To equate the then Upper Canada with Canada is somewhat misleading. One would conclude that it is the Canada of today. Indeed that is very inaccurate. It ignores the Atlantic provinces, the two founding members of Canada, Nova Scotia and New Brunswick. As we know, under Confederation we had four founding provinces. This particular historical equation ignores Atlantic Canada and all provinces that subsequently became members of Confederation. It is somewhat historically inaccurate.

Its intention is probably good, but it is important that we recognize in as total way as possible the efforts of all Canadians such as Mr. Howe and others.

I have some difficulty supporting the motion. I can support its main thrust but having noted its inaccuracies I just spoke to and the incompleteness of the motion I would like to move the following amendment. I move:

> That the motion be amended by deleting all of the words after the words "democratic government".

It then becomes more accurate historically. It then addresses the concerns I raised about ignoring the efforts of certain very important Canadians in the fight for responsible government, particularly those from Atlantic Canada and most notably Mr. Howe. I submit that my amendment is an improvement upon the member's motion.

The Deputy Speaker: While the Chair is waiting to examine the amendment, we might continue with the debate and the ruling will be made in due course as to the receivability of the motion.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, it gives me great pleasure to rise today to discuss the motion put forth by the member for Verchères. It would have the government officially recognize the historical contribution of the Patriots of Lower Canada and the reformers of Upper Canada to the establishment of a system of responsible democratic government in Canada and in Quebec, as did the Government of Quebec in 1982 by proclaiming by order a national Patriots day.

It is extremely troubling for me to stand before the House and unequivocally support a motion dealing with an issue that historians have not even settled on. The hon. member is asking us as parliamentarians to stand and officially recognize the contribution of the Patriotes and reformers. That point is clear. I cannot.

This is an issue which Canadians will have to make an individual value judgment about and the appropriateness of recognizing the extent of the contributions of the Patriotes and reformers. It would be wrong for parliamentarians as a whole to make a judgment about an event in history that is still controversial in the minds of many Canadians.

In fact what lies at the heart of the controversy is the methods used by the Patriotes and reformers. To some they are considered to be great Patriots. Yet to others they are considered to be nothing more than traitors who deserved what they received.

I also state unequivocally that the Patriots and reformers have some legitimate concerns which need to be addressed. I am sure that everyone, and not only in the House but all Canadians, would agree with that.

However we would be doing a great disservice to the idea that it is possible to have the freedom to debate ideas and achieve things through peaceful means, while at the same time lending

credibility to the notion that the end justifies the means, that it would be all right to raise arms against the state when there is a dispute. By no means do I support the idea that violence is a way to achieve a political end.

• (1340)

Support for the motion would then also be essentially a stamp of approval for the violence which took place during the revolts of 1837 and 1838. There were many deaths during those quasi–revolutions and I would certainly not want to suggest this is the proper way to bring about change.

Let us now take a moment to look at a few of the major players of the Patriote and reform debate, because I feel it is important sometimes to look at the past as if the lessons learned are forgotten. We are doomed to relearn them.

I also believe there are a number of similarities between the Party Patriote and the Bloc which need to be highlighted. In fact Papineau as Speaker of the House had no qualms about pocketing a large government salary while at the same time plotting his revolution. Interestingly enough we have seen much of the same during this 35th session of Parliament.

Papineau was also quite happy to extract harsh levies from the habitants living on seigneuries in the Ottawa Valley and allowing English merchants to do the same.

Papineau, through his charisma, focused habitant grievances against the English and reflected the fury of the francophone professional class who, as they saw it, had been systematically denied government advancement.

He also headed a party which demanded economic development at the local and regional level. Their concerns seem to be much of the same type of rhetoric to which many of us have listened every day in the House.

It is extremely important to illustrate that the lower Canadian revolution failed not only because of the division of the province into French and English but because of the divisions among the French themselves and of the type of men who attempted to make it. To upset a regime requires more than oratory, more than a prophetic fanatic such as Papineau was. It requires the support of the masses. The Patriotes had none of this.

Joseph Howe was primarily responsible for the election of a majority of reformers in Nova Scotia. He managed to bring about political change and bring about responsible government without having to resort to violence. This would be a good lesson for everyone to remember.

There is a more subtle lesson to be learned from all this, that the politicians might think they know what is best in terms of the best interests of society and those who encompass it, but it is ultimately up to the citizens of that society to determine what is best for them. Politicians better start listening to the people and not their own rhetoric.

Another key problem with the motion is the narrowness of its scope. It does not even attempt to recognize that a lot of people have made significant contributions to responsible government in the country other than simply the Patriots and reformers, many of whom are from western Canada. These other individuals would include William Aberhaart, Ernest Manning of the Alberta Social Credit and Agnes Macphail of the Progressives who was the first woman ever elected to the House of Commons. Let us not forget about the contributions of Henry Wisewood of the Alberta wing of the Progressives during the 1920s.

A final problem we see with the motion is the fact that we already celebrate the contributions of Canadians from the past on Canada Day. It is a time when Canadians can look back and reflect on all those individuals who contributed in some form or another in terms of greater representative democratic governments.

In conclusion, I will not impugn any motive or agenda beyond the motion. Yet many people feel that the motion appears to be the legitimization of a rebellion in the dismantling of the state apparatus, the legitimization of the use of force. Therefore I cannot support it.

As I mentioned earlier the reformers, Patriots and all their followers certainly have enriched Canada's history. In opposing the motion I do not want to belittle their contribution in any way. However I am concerned that if we legitimize the actions of those such as the Patriots we will be sending out the wrong message to those Quebecois who are sovereignists.

• (1345)

The PQ seem to be using the battles of 1837 and 1838 to legitimize its struggles against Canadian federalism. A Patriotes in Quebec has become anti–English, anti–federalist. The original Patriots fought for responsible government while the PQ Patriotes seemed to be fighting for the demise of this great country.

It is for these reasons I urge all the members of the House to vote against Motion No. 257.

[*Translation*]

The Deputy Speaker: Before recognizing the hon. member for Richmond—Wolfe, I wish to say that the amendment proposed by the hon. member for London—Middlesex is in order.

[*English*]

As it is in order it is therefore an amendment on which we will vote next week.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, first I would like to say to the member of the Reform Party who just spoke that we recognize English Canada and anglophone culture. They are our friends. And now, I welcome this opportunity to take part, at the request of my party, in the debate on the motion presented by the hon. member for Verchères, a motion that reads as follows: That, in the opinion of this House, the government should officially recognize the historical contribu-

tion of the Patriotes of Lower Canada and the Reformers of Upper Canada to the establishment of a system of responsible democratic government in Canada and in Quebec, as did the Government of Quebec in 1982 by proclaiming by order a national patriots' day.

The dramatic events known as the Rebellion of 1837–38 have often been depicted in textbooks and travel guides as the actions of a band of criminals who challenged the established order. The purpose of the motion submitted by the hon. member for Verchères is to rectify this perception and to recognize officially the historic contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada towards establishing genuinely democratic and responsible government in Canada and in Quebec.

Perhaps I should make myself clear at this point. We are talking about recognizing the merits of the Patriotes, not about rehabilitating them or obtaining a pardon, as though they were criminals. In fact, we think it is high time the federal government recognized the fact that these events were part of the historic current of social and political unrest that affected both the colonies and their mother countries in the 18th and 19th centuries.

In Canada these events, which occurred at a time of great political upheaval in Western Europe, were centred in Ontario or Upper Canada, in Quebec or Lower Canada, and in Nova Scotia. The goals of the Patriotes of Lower Canada and the Reformers of Upper Canada were threefold. Basically they were fighting for civil and political rights, for the establishment of truly democratic and responsible institutions, and for the emancipation of their respective nations.

Above all, they were seeking recognition of the people of Lower and Upper Canada as nations capable of taking control of their own future. Any colony hopes one day to become the master of its own political and economic destiny. In 1840, the Act of Union completely denied our existence, "a people without history", it was said. The confederative pact of 1867 seemed to want to establish a relationship based on the equality of two founding peoples, but in the history of this country, the francophone nation of North America has been confined to the status of an ethnic group, only a little harder to assimilate than other immigrants.

The Patriotes reflected the awareness of French–speaking Canadians that they were a different nation. They wanted to obtain recognition of this fact from London and the other citizens of Canada. However, the definition of Canada in the Constitution Act, 1982, still does not reflect the reality of two founding peoples in Canadian society.

The second goal was the establishment of truly democratic institutions. More specifically, the Patriotes demanded the establishment of the principle of responsible government or, in other words, the creation of an executive consisting primarily of members of the House of Assembly and responsible to it, that is, accountable to the people rather than to the British Crown.

• (1350)

Thanks to the action of the Patriotes and Reformers, we have inherited a system of responsible government as well as democratic institutions and traditions of such great value to the Western world.

Finally, the third reason for the Patriotes and Reformers to revolt was, in large part, the civil, political and economic liberties that several nations were starting to exercise. These were commendable motives that left their mark on 19th century history. In fact, the late René Lévesque wrote, in a letter dated November 21, 1982, that the 1837–38 events and all the years leading to these events were undeniably motivated by a genuine and powerful democratic surge, coupled with a stronger than ever national assertiveness.

Arguments against recognizing the Patriotes of Lower Canada and the Reformers of Upper Canada do not hold water. It was first argued that adding another public holiday to the calendar would be both costly and unjustified. Allow me to point out that, in the mind of my colleague from Verchères, there was never any question of adding a public holiday or establishing a national patriots' day in Canada. It was for information that the hon. member for Verchères referred, in his motion, to the national patriots' day proclaimed by the Government of Quebec.

They then said that the violence associated with the 1837 rebellion should not be condoned. Fine, but we must remember that the Patriotes and Reformers expressed their grievances and demands in pamphlets, newspaper articles, mass demonstrations, pleas and speeches in the House of Assembly for many years before some of them took up arms. This motion is not intended to justify or legitimize the 1837–38 rebellion but simply to pay tribute, regardless of these violent events, to these men and women who believed in the need to establish a system of responsible and truly democratic government.

Some of my colleagues rightly pointed out that the Patriotes and Reformers are not the only ones who helped establish a system of responsible government in Canada. Although the Patriotes and Reformers are certainly not the only architects of our system of responsible government, their very significant contribution should not be ignored.

That is why we, in the Official Opposition and the Bloc Quebecois, are proud to support the motion of our colleague from Verchères and to ask this House to approve it without reservation.

The Deputy Speaker: As no one else apparently wishes to speak, I recognize the hon. member for Verchères.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I am pleased to have this opportunity to go over the comments made during these three hours of very useful and informative debate.

It is my responsibility to conclude the debate on this motion, which I had the honour of tabling in this House, and which merely seeks to recognize the undeniable historical contribution of the Patriotes of Lower Canada and the Reformers of Upper Canada to the establishment of a system of responsible democratic government in Canada and in Quebec.

Although I am a sovereignist, I have no intention of rejecting our common values and experiences. And the chapter of our history which saw the emergence of the patriot and reformer movement is part of those common experiences.

I would like to read you an excerpt from a letter sent to me by a government member from Ontario. I do not think he will be upset, because I simply want to show to what extent these events are part of our common history.

• (1355)

He writes: "If there was a time in Canada's history when French–speaking and English–speaking people joined together to defend democracy, it was definitely during the 1837–38 rebellion which shaped the country as we know it today. The violence which occurred in Upper and Lower Canada was minimal and short–lived, compared to what happened in just about any other country that experienced similar incidents. Since then, Canadians have resolved their differences through debate, rather than with arms. This explains why a separatist party is now the Official Opposition in Parliament, something I am proud of".

Mr. Speaker, this was made possible essentially by the actions of the Patriotes of Lower Canada and the Reformers of Upper Canada.

Contrary to what the Reform Party member claimed, Quebecers are not using the Patriotes to denigrate their English–speaking comPatriots. Some prominent Patriotes and Reformers were English–speaking, and we are proud that they participated in the Patriotes movement.

My first speech in this House was to explain the relevance of this motion. This second opportunity allows me to correct a number of objections made by members of the other political parties in the more than two hours of debate on this motion.

The first objection was that the Patriotes and the Reformers were not the only ones who contributed to the establishment of responsible government. We were reminded, and rightly so, of the invaluable contribution of the Hon. Joseph Howe, a politician from Nova Scotia, who also contributed greatly to the establishment of a system of responsible government in Canada, and we recognize it. However, that does not mean that we should not also recognize the value of this structured movement which, for years, conveyed the aspirations of many people in Lower and Upper Canada.

The Patriotes and the Reformers were, first of all, honest citizens—business people, politicians, farmers, professionals—who, before some of them opted for armed struggle, had tried to make their point democratically.

We do not deny that they were not the only ones to whom we owe responsible government, but their very significant contribution cannot be ignored. Does the fact that we recently honoured the Canadian heroes who fought on the beaches of Normandy diminish in any way the merit of those who distinguished themselves at Vimy, Dieppe and Monte Cassino? Of course not, Mr. Speaker. It is self–evident.

Then, honouring Patriotes and Reformers will in no way diminish our gratefulness to persons like Joseph Howe, something I wanted to stress in this House.

Second objection. It has been said that it would be costly and unjustifiable to add a new legal holiday. We never said we wanted a legal holiday. We wasted almost an hour debating this, when it is not even in the motion.

With your permission, I will quote from the presentation I made to the Sub–Committee on Private Members' Business, on May 11, to make sure that this motion was deemed votable. Allow me to quote myself: "—the motion I am presenting to you is not aimed at establishing a national statutory holiday in honour of Patriotes and Reformers".

That is to say that, even before this matter came to the House of Commons, I had clearly stated that the motion was not intended to establish a national statutory holiday to honour Patriotes and Reformers. Of course, it will be up to the government of Canada to decide how it wants to celebrate and recognize the priceless contribution of the Patriotes and Reformers.

This argument can be explained two ways, it is either due to a blatant ignorance of the facts and of the meaning of the motion, or to a deliberate manoeuvre to derail the debate, something I am not accusing anybody of doing.

As I was saying, it has always been very clear in my mind, and that of my colleagues, that it is up to the Government of Canada to make the final decision, once the House adopts the motion, on how it intends to honour and recognize the historical contribution of the Patriotes and Reformers.

• (1400)

Third objection. We were told that the violence of the rebellion of 1837–1838 could not be condoned. Fine, but it must be recognized, as my colleague for Richmond—Wolfe so rightly pointed out, that for years, Patriotes and Reformers had expressed their point of view, their opinions, in speeches at the House of Assembly and at public meetings, as well as in newspaper articles. That is how Patriotes and Reformers had presented their views.

In remembering the Patriotes' actions, one should not choose to recall only the violence some of them ultimately resorted to.

The purpose of this motion is not in any way to legitimize or justify the rebellions of 1837–38. Of course not. As my colleague from Richmond—Wolfe mentioned, the motion simply seeks to pay tribute to the men and women who, notwithstanding these violent protests, believed it was necessary to have a truly responsible and democratic government in this country.

Of the people who believed and took part in this movement, some entered public life and are still highly respected today for their convictions, like Louis–Joseph Papineau, Louis–Hippolyte Lafontaine, Robert Baldwin and George–Étienne Cartier, to name a few.

After the first hour of debate, which was rather deplorable, I might say and where all kinds of objections were used to sidetrack the debate, I sent all members of this House a letter to clarify the situation concerning the three objections that were raised.

In the second hour of debate, we heard new objections. First, we heard mainly from our colleagues in the Reform Party that the bad sovereignists of today are using the actions of the Patriotes and the Reformers to justify their claims. This argument demonstrates a poor knowledge of our history.

I will remind the members that the Reformers, who would be Ontarians today, are included in the motion. It has absolutely nothing to do with the sovereignist movement. That is not why we are presenting this motion. We want to recognize the contribution of the Patriotes and the Reformers to the establishment of a system of responsible democratic government.

I must also remind hon. members of something I mentioned in the first hour of debate, namely that there are groups in Ontario which support our initiative and encourage us to bring the House to recognize the invaluable contribution of the Patriotes and the Reformers.

Let us not forget that the Right Hon. Pierre Elliott Trudeau even went to Australia to unveil a plaque honouring the Patriotes of Lower Canada and that another Canadian government official unveiled a similar plaque in Tasmania to honour the Reformers of Upper Canada. There has never been formal recognition from the government, and that is what we are seeking.

Of course, it is possible to make a connection between the actions of the Patriotes and the actions of today's sovereignists. But if we had wanted to give that meaning to the motion before us today, we certainly would have excluded any reference to the Reformers of Upper Canada.

The hon. member for Calgary Southeast said in her speech, and I quote:

> If this House is seriously fighting for a strong Canada, it would be hypocritical for its members to vote in favour of this motion.

What a pity to make such a narrow and restrictive interpretation of the motion before the House. I say to her that if this House rejects this motion, it will be more than hypocritical. Not to admit a historical reality for purely partisan reasons is beneath the dignity of this House.

During the second hour of debate, the hon. member for Glengarry—Prescott—Russell presented a new objection to the motion. He opposed the wording of the motion where it says the Patriotes of Lower Canada and the Reformers of Upper Canada contributed to the establishment of responsible government in Canada and in Quebec. Using a geographical subterfuge, it was argued that we could not talk about Canada and Quebec since we were talking about Upper Canada and Lower Canada and that we should therefore talk about Ontario and Quebec.

• (1405)

I would simply like to say to the hon. member for Glengarry—Prescott—Russell that, putting aside the matter of Ontario and Quebec, we must admit that the action of the Patriotes and the Reformers was such that we can now enjoy freedom everywhere in Canada and a democratic and responsible government. The action of the Patriotes and the Reformers cannot be limited to Ontario and Quebec.

The question I asked myself was this: Why then, if he really intended to support the motion—because I must recognize in all honesty that the member for Glengarry—Prescott—Russell agreed with the substance, the principle of the motion, though he was worried about its wording—why then did he not support the motion? He had the right to do so. Our colleague has just proposed an amendment which after all does not change the meaning of the motion.

We would have been very disappointed if our colleagues opposite had continued to oppose this motion only, it seems, because of its wording. We are happy to see that we may come to an agreement so that this House finally recommends that the government recognize, more than a hundred years later, the historical contribution of the Patriotes and the Reformers to the establishment of responsible government, of which we are so proud.

If they had continued to reject this motion only because of its wording, they would have disappointed many groups in Ontario and Quebec as well as elsewhere in Canada that have been supporting us in this process from the beginning.

If they had continued, for disgraceful and base partisan motives, to try to deflect a supposedly level-headed debate on the recognition that is more than due to the Patriotes, Liberals and especially Reformers would have shown how low they could go. But, fortunately, government members are much more open today.

Refusing to recognize the invaluable contribution of the Patriotes and the Reformers to the establishment of responsible government, something we are so proud of today, is an insult to the memory of great men like Louis-Joseph Papineau, George-Étienne Cartier, William Lyon Mackenzie, Robert Baldwin and Louis-Hyppolyte Lafontaine. Not all Patriotes took up arms but we owe it to all of them that we live today in a free and democratic society today.

I would invite hon. members, my Reform and Liberal colleagues, to reflect on this before voting on this important motion.

I would like to conclude very briefly by thanking members from all sides for taking part in this debate. I would also like to express my particular thanks to Mr. Onil Perrier, of the Patriotes du pays, provided food for thought, and research material throughout the process.

In closing, I would like to thank—and I am sure that you will agree with me—my assistant and colleague, Catherine Beaudry, who did most of the research. I am sure, Mr. Speaker, that you agree with my words of thanks to her.

The Deputy Speaker: Colleagues, since the right of reply closes the debate, I must put the question to the House.

[*English*]

Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Some hon. members: On division.

The Deputy Speaker: I declare the amendment adopted.

Amendment agreed to.

The Deputy Speaker: The question is now on the main motion as amended. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to the order made earlier this day, the motion stands deferred until Tuesday, December 13 at 5.30 p.m.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, on a point of order. Would it be possible, since we have already gone through the procedure and voted on division, to go back and ask for a recorded division?

The Deputy Speaker: The Chair has a duty to be fair to all members. I know, as the hon. member just indicated, that there are certain rules. It seems to me we have already had a division. When I put the question, I was told they intended to rise.

Since they did, I must be fair to all members. They are entitled to ask for a division, and as the hon. member just said, I think they intended to do so.

Any further comments on this point?

[*English*]

It being 2.10 p.m., the House stands adjourned until Monday at 11 a.m.

(The House adjourned at 2.10 p.m.)

HOUSE OF COMMONS

Monday, December 12, 1994

The House met at 11 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

The House resumed, from December 9, consideration of the motion that Bill C–56, an act to amend the Canadian Environmental Assessment Act, be read the third time and passed.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, we are now at third reading of Bill C–56, which would amend the Canadian Environmental Assessment Act in three important ways. I want to say from the outset that the Bloc Quebecois will vote against this bill.

It is indeed impossible for us to support a bill to amend the Canadian Environmental Assessment Act, an act that we disagree with in the first place. We consider that this act is an unacceptable federal assault on a field of jurisdiction that is already occupied forcefully and effectively by certain provinces. Quebec, for instance, has its own environmental assessment process, which has proven itself.

Before going any further, I would like to take a moment to say a few words on the political strategy used by the Minister of the Environment, who is bent on associating the Canadian Environmental Assessment Act with our leader. We know that he is the one who originally initiated Bill C–78 in 1990, but a lot of water has passed under the bridge since then. The early bill has changed considerably, with the hundreds of amendments made by a legislative committee.

Many provisions and clauses have been deleted, rewritten or added. The flexibility our leader was looking for in Bill C–78, that became Bill C–13 in 1991, has disappeared and been replaced with rigidity in the legislative intent. Moreover, among the changes made, the statement to the effect that the federal government promotes sustainable development is a clear indication that it considers itself the sole authority for the renewal of resources, even though resources fall under provincial jurisdiction.

In light of all these changes, it is clear that the current centralizing vision of the Liberals is not in keeping with the original bill proposed by Mr. Bouchard. In an article that appeared in the April 1, 1992 edition of *Le Devoir*, Michel Yergeau, a well–known lawyer specializing in environmental law, reminded those who tried to justify federal intrusions in areas of provincial jurisdiction by invoking the fact that the first version of the reform was overseen by Mr. Bouchard, that Mr. Bouchard was well aware of the constitutional realities imposed by the nature of environmental problems.

Mr. Yergeau even repeated something that Mr. Bouchard said in one of his speeches: "In grey areas where the Constitution does not set out clearly the role of each government, co–operation must prevail". As we come to realize that the environmental debate and the fight for life itself must take place all over the globe as well as in every area of activity, our fellow citizens would not understand, much less tolerate wrestling matches between federal and provincial politicians.

Last Monday, the Parliamentary Secretary to the Minister of the Environment told us that the federal government had already participated in many environmental assessments in Quebec. I must remind him that these assessments were carried out under the federal guidelines order providing for flexibility and co–operation between the two levels of government, something which Bill C–13 no longer allows.

• (1105)

Let me remind you of the Oldman River Dam case on which the Supreme Court ruled on January 23, 1992. The spirit of this ruling was one of respect for provincial jurisdiction. The Supreme Court ruled that the assessment process outlined in the guidelines order applies only to projects for which the Government of Canada has an "affirmative regulatory duty" pursuant to an act of Parliament.

Mr. Justice LaForest said, "It cannot have been intended that the guidelines order would be invoked every time there is some potential environmental effect on a matter of federal jurisdiction". He went on to say that the federal minister or the panel could not use the guidelines order as an excuse to invade—repeat, invade—areas of provincial jurisdiction unrelated to the area of federal jurisdiction involved.

The Canadian Environmental Assessment Act promulgated on October 6 is far removed from the Guidelines Order of June 1984 and Bill C–78. There used to be some flexibility and respect for provincial jurisdiction, but the new federal legislative and regulatory framework is more forceful and extends tentacles in every direction.

The CEEA has a major impact on the application in Quebec of Quebec's environmental assessment procedure. Clearly, there is a risk that this Quebec law and surely other provinces' environmental legislation will be constantly duplicated, challenged or subordinated to the federal process. Nevertheless, Quebec's procedure has been well established for ten years already, is well known to the public and developers and has proven itself.

In light of all the above, it is very clear that the minister's always associating our leader with Bill C–13 has no serious basis and may be due to some unadmitted desire to cast herself in the image of our leader when he was environment minister. But I think that the minister, as is her wont, is playing petty politics and using the only weapons she has, demagogy and partisanship.

To convince you of these unfortunate inclinations of the minister, I will show you that despite her praise and flattering remarks about our leader for his initial bill, Bill C–78, the minister voted against reinstating this bill on May 29, 1991 in this House.

Has the minister forgotten her vote against reinstating Bill C–78, which died on the Order Paper on May 12, 1991? All her Liberal colleagues also voted against reinstating it.

On May 29, 1991, the minister said that Bill C–78 should be thrown out. Today, she praises our leader for this same bill. I call that double talk. The minister is being flagrantly inconsistent. As always, she confuses the environment with partisan politics.

The minister's approach and behaviour are starting to give environmental groups and some provinces serious concerns. There is growing doubt about the Deputy Prime Minister's ability to run this important Department of the Environment well. Many people have told us that the minister does not know her issues and that her intransigent attitude is not at all appreciated. This situation is very disturbing and does not inspire confidence in the community.

A specific incident showing the minister's ignorance occurred on November 10 when she was in Charlottetown. The minister, who was there to meet the people and reassure them about the raising of the *Irving Whale*, took the opportunity to say that she was very poor in science in school. This incident was reported in *Le Radar*, a Magdalen Islands newspaper, for the week of November 18 to 24, 1994.

• (1110)

Here is an excerpt from this article signed by Achille Hubert: "In fact, the minister showed her abysmal ignorance when she was interviewed by Lyne Danis, a Radio–Canada journalist. When asked how the refloating operation was going to be conducted, the environment minister floundered. She thought the booms would be at the bottom of the water. As for the ship which will support the barge once it reaches the surface, she also thought that it would be at the bottom".

After listening to the option chosen to refloat that barge, I say that the minister has no idea of what is involved: She does not even have any sense of what this delicate operation entails. She showed her total ignorance of science, and I hope that the environment will not suffer more from her incompetence. Otherwise, it would not look very reassuring for the future.

I urge the minister to take a very close look at the issues which are under her responsibility, and to stop justifying her own inability by claiming that her predecessors were passive.

I want to go back for a moment to Bill C–78, which preceded Bill C–13, and remind you of what some members of this Liberal government were saying then, when they formed the opposition. At the time, the current Liberal member for Winnipeg North Centre said: "We want to make sure that the powers involved are sufficiently explicit to allow for the establishment of environmental rules capable of sustaining the pressure exerted by the provinces. With this legislation, the government does not succeed in at least protecting Canadians against the ambition of the federal and provincial governments. We have let people down in so many ways that if we were to do it once again, this would be the most infamous action ever taken by Parliament".

This is what the Liberal member for Winnipeg North Centre thought of that bill. It was not good yesterday, but it is just fine today.

The Liberal member for Eglinton—Lawrence, who is still here today, said this on October 22, 1990, and I quote: "This is legislation without teeth. It is, in fact, legislation without teeth. The key word was 'redraft' and not make amendments that are going to provide acceptable frills to this bill, but to alter completely the dimension of this bill. One of those items refers to the fact that the compliance component of the bill certainly is way lacking. There is absolute indifference to the concept of making various jurisdictions of government comply, particularly when they set up their own review mechanism".

The Liberal member for Egmont, in Prince Edward Island, said and I quote: "Bill C–78 does not satisfy the legislative requirements necessary to protect our environment. In view of the importance and the urgency of environmental impact legislation, we cannot be satisfied with an imprecise, toothless piece of legislation such as the bill presently before us. This bill does

not meet the expectations of the people of Canada. It does not measure up to the expectations of its own appointed environment and economy committee. It is so seriously flawed that it should be withdrawn and redrafted".

As for the Liberal member for Cape Breton Highlands—Canso, he said: "We should reconsider many basic aspects of this measure. I think that to be fair, it is somewhat short of perfection".

The Liberal member for Nepean added the following: "Unfortunately, the weakness of the legislation before us makes for a skeptical public and questions the motives of us as legislators and the seriousness of the government's intent in enacting this resolution".

The present Secretary of State for Latin America and Liberal member for Northumberland mentioned: "Mr. Mulroney's government's latest environmental legislation is fundamentally flawed. Canada will return to the dark ages of environmental law if Bill C–78 passes in its present form".

Other Liberal members, who are now heavyweights in the Liberal government, also spoke against Bill C–78 at the time. The present Minister of Industry said in the House: "The heritage of Canadians is too important to be left only to the provinces. Yet I do not see even a wish on the part of the federal government to acknowledge that it has the power to intervene in development projects which are going to be environmentally harmful. In many regards, this bill is not an appropriate answer to the numerous events happening in Canada".

• (1115)

This very enlightening statement by the minister shows the vision of the provinces the people opposite have. With this vision as a basis, no need to look very far to see why Liberals so cheerfully promote a centralizing kind of federalism that tends to crush and dominate the provinces.

The Minister of Industry, a fervent supporter of centralizing federalism, was not the only one to attack Bill C–78 at that time. His Cabinet colleague, the minister of social program reductions, mentioned that his colleagues and his party had brilliantly pointed out the flaws of this bill. The legislation was no good, he said. At the time, the minister of unemployment cuts said that he hoped we would one day have a government that would know how to negotiate a new agreement so that federal and provincial authorities would share responsibilities for such projects.

The minister of cuts then said that we should use our imagination to find a way to share the responsibility for environmental assessments. What a nice wish for the minister to express! Unfortunately, his wish did not come true, since his Minister of Environment, in her bill and her regulations, decided not to share this responsibility with the provinces and respect what the provincial governments are already doing, but rather to intrude by imposing her own assessment process.

I also find it rather funny to see that, back then, the minister of education cuts wanted to share responsibilities with the provinces, given his action today, his reform proposal and the negative reactions he has got so far from the provinces.

Finally, the prize for best decrying goes to our dear Minister of Finance, the minister of fake Canada–wide consultations. On May 29, 1991, he said in this House and I quote: "Bill C–78 is so flawed it will in fact undermine our existing standards for environmental assessment". He added: "My feeling is that if we have to go with Bill C–78 or none, go with none".

Here we have yet another minister who wanted to scrap Bill C–78. When you read all the speech he made on May 29, 1991, it becomes crystal–clear that the minister of consultation wanted more powers for Ottawa. Besides, nowhere in his speech did he mention the provinces and their jurisdiction. This speaks volumes about the domineering intentions of people across the floor.

This is what some Liberal members were saying when they were on this side of the House. What is so inconsistent and indecent in the Liberal position on Bill C–78 is that at the time they criticized the bill and the minister, our leader, who introduced it but today they commend him for having initiated the process.

The Liberals; headed by the Minister of Environment, now shower praise on our leader but then they hurled the pot at him. You are opportunists who change their minds with the weather. This opportunistic change of opinion unequivocally confirms that Bill C–78 has been so deeply amended that it has nothing to do any more with the purpose it was intended to fill at the time. Liberals themselves make this abundantly clear. If Liberals, in their minds, consider today's Bill C–13 as the equivalent of the then Bill C–78, the latter has to have been significantly changed to be approved today by the Liberals.

This confirms our claims that the act the minister proclaimed on October 6, 1994, is totally different from the one that was initiated at the time. The bill she has introduced today and the act it amends are unacceptable. The minister is predicting a new so–called era of co–operation but this is only to impress everyone. Far from bearing the stamp of co–operation, this new era will be one of centralization and domination by the Liberals.

The Canadian government forces this process upon us without looking at what is already being done in the provinces and it justifies the whole thing with a single bilateral agreement with Alberta. This is sufficient for the minister. This single agreement gives her the green light to impose her way on all other provinces.

Again, the Canadian government is laying down the law coast to coast. Canada is homogeneous, so, for the Liberals, what is signed or accepted by one province is good for all the others. What bad, simplistic reasoning.

• (1120)

We in the Bloc Quebecois do not accept that kind of standardization from sea to sea. We oppose Bill C–56 and the Canadian Environmental Assessment Act and we are not the only ones. The federal assessment process infringes on provincial jurisdiction and powers. Not only will it create duplication and disputes, but it will also subordinate provincial processes already in place.

Quebec opposes and has always opposed that federal assessment process. Since 1990, Quebec has regularly made representations on this to the federal government. Before, it was through Pierre Paradis, the former Minister of the Environment, a federalist Liberal, like the people opposite, and now, it is through Jacques Brassard, a member of the separatist Parti Quebecois, the present Minister of the Environment. Despite their conflicting political positions, those two men denounced federal interference in environmental assessment.

Pierre Paradis, the former minister and a true hard–line federalist, said that the Canadian Environmental Assessment Act was no exception to that dominating and totalitarian federalism. Coming from a federalist, that says a lot. He said that he saw Bill C–13 as dangerous interference in Quebec's affairs by the federal government. He added that Ottawa would then be in a position to impose its assessment on any Quebec project having an environmental impact. This hard core federalist said, and I quote: "With Bill C–13, the federal government is seeking to use all available means to subject the largest possible number of projects to the federal assessment process and even to control every aspect of the assessment when it is carried out by other authorities. The federal process will interfere constantly with the provincial process".

The Parliamentary Secretary to the Minister of the Environment should understand these comments by his former provincial colleague. Moreover, as former Minister of the Environment in the National Assembly, the parliamentary secretary should pass on Quebec's message to his minister. Was he or was he not a member of the same government as Mr. Paradis?

On November 22, 1991, Mr. Paradis wrote to the minister, Jean Charest, who was luckier than his Conservative colleagues since he is still with us today. The letter said: "Far from clarifying the situation, Bill C–13 in its present form allows the federal assessment process to unnecessarily interfere with decisions which are exclusively Quebec's responsibility. This will create unproductive duplication of assessment procedures and will inevitably lead to numerous disputes".

Quebec's federalist minister said that he wished Ottawa would recognize and respect the assessment process put in place by the provinces. It seems to me that the message is clear. Mr. Paradis told the federal government to mind its own business.

All the letters, dozens of them, sent by this hard core federalist to the federal minister since 1990 contained the same messages. Let me read you a few of them. The minister was concerned that the bill would create "major constitutional problems and numerous difficulties in terms of implementation". On another occasion he said "that the federal government was not justified in using the protection of the environment as an excuse to interfere in areas under exclusive provincial jurisdiction". He also said that, to Quebec, this legislation meant that every environmental project would be subject to a federal assessment. He was concerned that adding the federal process to the provincial process would only create costly duplication and delays.

Finally, here is what Mr. Paradis was quoted as saying in the *Journal de Montréal* on March 17, 1994: "We have to harmonize the federal and provincial legislation so as to establish a single window in the area of environmental assessment, Quebec having priority over Ottawa". And he added that: "Quebec maintains its objective of having its jurisdictions protected, of being in charge". The current Liberal minister was there, on March 17, 1994. Why did she not hear and take into consideration the claims made by a federalist Quebec minister who had been strongly opposed to that legislation since 1990?

• (1125)

The new Quebec environment minister, Jacques Brassard, reacted scathingly to the promulgation of the Canadian act. Mr. Brassard recalled the Quebec representatives from the federal–provincial talks and did not show up himself at the environment ministers' conference in Bathurst, in early November. He said that discussions between the two levels of government on harmonizing environmental measures following the promulgation of the federal act were a farce, and said: "We are tired of being laughed at".

For Quebec, this legislation means being under trusteeship. Mr. Brassard put it even more bluntly: "This is utterly unacceptable to Quebec. This is provocation, a demonstration of arrogance and disregard for Quebec". With this federal legislation, developers in Quebec and in other provinces will be faced with two assessment processes with different requirements. In Quebec, businesses object to this dual assessment which will have a disastrous impact on the economy. Obviously, businesses will be reluctant to submit their projects, because they will not know what to expect from the environmental assessments.

Why do federal Liberals intrude with such arrogance in this area of provincial jurisdiction? They are federalists who, deep down, believe in a strong central government. They think that

Ottawa is where it is at and that the federal government should have an overriding role. What else could we expect from them?

These people take the "think globally" approach in order to justify their excessive centralization. Members opposite hold the mistaken position that, because water and air know no boundaries, their preservation should be the responsibility of a big national machine. Who knows, with that kind of thinking, they may one day submit to a larger organization or even a world organization. Why not?

Again I quote Michel Yergeau, from *Le Devoir* of April 1, 1992: "The fact that Ottawa has found something called a 'global' approach that ignores boundaries is not reason enough to shrug off the Constitution. By passing Bill–13, the federal government makes an autocratic argument and unilaterally settles the dispute, necessarily in its favour".

That environmental law specialist had more sound remarks which graphically illustrate the problems the Canadian Environmental Assessment Act will bring. Here is what he says: "In order to justify that brutal approach, the federal government cloaks itself in the urgent necessity to preserve the environment in its own jurisdiction. The net results of that unilateral exercise are not good, nor can they be. It should be reconsidered and refined. As it now stands, Bill C–13 is a rough draft which will have to be refined by the courts on a case by case basis and which will only be a source of dissatisfaction for everybody. Ultimately, the process will take more time than if we had negotiated this issue. On second thought, the federal government has just set a time bomb in Canadian legislation. It is also a further threat to the constitutional reconciliation so dear to the federal government. And it is of no benefit for the environment either." End of this very enlightening quotation.

Please note Mr. Yergeau's last sentence. "And it is of no benefit for the environment either". You see, Mr. Speaker, the environment is an issue which must be dealt with in the field, at the community level. But we all know that federal centralism is not attuned to what happens at the community level.

• (1130)

Centralized structures are generally and often quite far from concrete problems and day to day situations. The environment needs efficiency: quick analyses, prompt actions and decisions as well as good relations between developers, decision makers and the community.

However, the minister's proposal is the complete opposite. Her process is slow, complicated, cumbersome and creates duplication. The environmental and economic repercussions will be very important, according to many experts.

In the first federal assessments, we will see how developers react and what effect the federal process will have on their decisions to submit projects. I am sure that they will not like being subjected to two environmental assessment processes. The federal government's interference in environmental assessment will create uncertainty and hesitation. It is deplorable that the minister does not seem to pay any attention at all to the impact her law will have on projects.

In December 1993, Quebec's aluminium industry association submitted the following statement to the Quebec minister of the environment and wildlife: "Section 5(1) of the Canadian Environmental Assessment Act sets conditions for the environmental assessment procedures even though these projects could already have been covered by a provincial process. . . We fear that duplication. . .will make the process more cumbersome without protecting the environment any better. This duplication will entail more costs and delays. . .developers will pay for this duplication and could very well decide to abandon economically beneficial projects".

Is that message not clear enough for the federal minister? The environment and the economy will be affected by the federal process.

Also, last January, the Centre patronal de l'environnement wrote to the federal government and said they believed it would be very difficult for the federal government to justify the implementation of a law that would unduly overlap provincial jurisdiction. With all the budgetary restraints, the federal government would be better off working in close co–operation with the provinces and sharing the fiscal burden, especially for this type of assessment where the costs and resources allocated will be considerable.

The Canadian Electrical Association expressed the same opinion in a brief submitted to the subcommittee which recently reviewed Bill C–56. I would like to quote three very revealing parts of that brief.

The first says:

[*English*]

"The CEAA, the Canadian Environment Assessment Act, contains serious shortcomings which are not addressed by Bill C–56. The bill before the subcommittee deals with red book commitments but does not look at issues such as jurisdiction and proponents' rights. We see the CEAA as an unwitting and unnecessary federal intrusion into jurisdictional controversy and as leading to more, not less, duplication. Harmonization agreements with the provinces will not resolve these fundamental flaws".

[*Translation*]

The second one is, and I quote:

[*English*]

"Canadian Electrical Association's objective is to ensure that the CEAA operates effectively and efficiently while providing the degree of certainty required for project proponents and operators. The act, even as amended by Bill C–56, and guided by the regulations published recently in the Canada *Gazette*, Part II, does not indicate that the environmental assessment process that will emerge will be workable".

[*Translation*]

And the last one is as follows:

[*English*]

"The intent of the act is not to ensure that economic activity in resource sectors stops, but that the environmental acceptability of projects be examined in a timely and appropriate manner to determine if they should proceed. The consequence of not having a workable process is that investments in projects will dry up. The Fisheries Act requires special attention because including this act as a trigger under CEAA could create uncertainty for already licensed operating facilities".

• (1135)

[*Translation*]

Despite its rhetoric on the federation being so efficient, the federal government is itself increasing the overlap and duplication which add to the administrative costs for governments and developers. In the name of federalism and a global approach, the government forces its way by imposing its process on us, which will create problems and lead to unacceptable costs. In the long run, clearly it will not be good for the environment and it will hurt the economy.

It is unfortunate that the federal government is once again acting unilaterally and treating the provinces, the developers, taxpayers and, of course, the environment with such disrespect.

We are all in favour of environmental assessment, but we are also in favour of showing respect for the processes already in place in the provinces. It is absolutely false to pretend that the federal government must make its presence felt for the sake of the environment. Quebec was a forerunner in the area of environmental assessments in Canada and has shown exemplary consistency and thoroughness.

The federal approach is even more unacceptable when you think that the Quebec process is recognized as one of the best of its kind. It is credible, well established and has proven its effectiveness. Since 1980, 745 projects have been submitted. Two hundred and ninety projects are presently at different stages in the process and some 25 major projects are completed every year.

What more do you want? Why is the federal government getting involved in this? Why do they want to duplicate the whole process that already exists in Quebec and elsewhere?

The federal minister believes that these problems, whether current or anticipated, will be settled by signing bilateral agreements with the provinces. Fine, but what will happen in the case of provinces with which she will not be able to strike a bilateral agreement? Has the minister considered this? Does she have an alternative for provinces which will not tolerate this intrusion by the federal government? The minister is speechless on this issue and has no answer. What matters for her is that the federal government makes the move, regardless of what the provinces want.

Since the beginning of my speech, I have often referred to the duplication of the assessment process due to federal interference in that field. Yet, the Liberals have been telling us since October 25, 1993 that they want to eliminate this unnecessary and costly duplication. The people opposite are quite far from delivering on their fine promises. Their actions and decisions are totally contrary to what they say.

But, besides duplicating what is already being done in the provinces, the Liberals cannot even clean up their own backyard. Let us take a serious look at clause 1 of Bill C–56. In its first version, that clause said: "to ensure that responsible authorities carry out their responsibilities in a co–ordinated and efficient manner with a view to eliminating unnecessary duplication in the environmental assessment process". Hence, we could think that the federal government, even though it is duplicating provincial processes, wanted to avoid any duplication deep down.

However, a motion put by the Liberals in sub–committee changed that clause. That motion included the words "to the extent possible" in the clause. The new clause reads as follows: "to ensure that responsible authorities carry out their responsibilities in a coordinated and efficient manner with a view to eliminate, to the extent possible, unnecessary duplication in the environmental assessment process"; To the extent possible, what nonsense and how ironic. Not only does the federal government duplicate provincial processes, but it also opens the door to duplication in its own operations.

I will conclude by saying that, eventually, the taxpayers will once again pay the price for that bad decision made by the federal government. They will pay twice because their environment, as well as the economy, will be affected.

What a mess the federal Liberals are making. How far will they go to satisfy their thirst for centralized power in Ottawa?

We will vote against this bill.

• (1140)

[*English*]

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, I listened intently to the speech by the hon. member for Laurentides. I noticed that in her speech she took a shot at our present Minister of the Environment on her handling of the *Irving Whale*.

This is a very peculiar criticism because the present minister is the only minister in over two decades who has taken any action at all on the *Irving Whale*. She met with the fishermen and residents of Prince Edward Island and Îles–de–la–Madeleine .She met with scientists and found the money to remove the hazard from the Gulf of St. Lawrence. Yet she is under criticism because she is actually doing something about this environmental hazard.

I am curious to know what the hon. member would do. Would she remove the *Irving Whale*? Would she pump it out? Would she leave it there? What would she do? She seems to have become involved in this project only after the member for Bonaventure—Îles–de–la–Madeleine got some publicity on it. If the minister is not doing a good job on this particular issue, I am curious to know what the member would do in her position.

The Deputy Speaker: The member for Egmont may not have been aware of the fact that at this stage of debate on the bill the first three speakers may speak for 40 minutes without question or comment afterward. The Chair is therefore obliged to take the member for Egmont's question and comment as an intervention and not as a question or comment.

Does the member for Egmont wish to split his time with the Parliamentary Secretary to the Minister of the Environment?

Mr. McGuire: Yes, Mr. Speaker.

[*Translation*]

Mr. Clifford Lincoln (Parliamentary Secretary to Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I was listening as usual to my colleague from Laurentides who was speaking as usual about duplication and overlapping. I do not know what she would do if these words were not in her vocabulary.

During her speech, she asked quite a surprising question when she wanted to know what the federal government was doing in this. I wonder, at times, if we are living on the same planet. She also talked about centralizing federalism. In the most decentralized federal state in the world, perhaps she should have a little talk with the German minister of the environment or with the director of the American EPA and learn about how things are done in federal states.

In fact, as I said the other day, perhaps we will have to remind her once again that the Supreme Court said that the federal government not only has the right to intervene in the environment and in environmental assessments, but also has a strict duty to do so for all Canadians. I will remind her once again that the federal government is responsible for navigable waters, for all navigable waters whether they are in Quebec, New Brunswick or British Columbia.

It is responsible for fisheries throughout the territory and for all coastal areas, whether in the Gulf of St. Lawrence, British Columbia or the Arctic. All federal lands and all federal buildings in Canada are under federal jurisdiction.

The federal government also has a fiduciary responsibility for native peoples and thus for all the lands where native people live and have rights. It is responsible for the national harbours and ports, airports, the St. Lawrence Seaway, interprovincial and international trade and international agreements.

What is so unusual for a government with national responsibilities to pass a law on environmental assessments for whatever comes under its jurisdiction?

• (1145)

In fact, this law was written when the opposition leader was Minister of the Environment and now, people will try anything to demonstrate that it is different. But basically the law is exactly the same as it was initially.

Mrs. Guay: That is not true.

Mr. Lincoln: Mr. Speaker, I listened very carefully to what the hon. member for Laurentides had to say. I would ask her to at least have the courtesy to remain silent for the time being and let me speak.

Mr. Marchand: It is untrue.

Mr. Lefebvre: It is untrue.

Mr. Lincoln: In any case, the principle of this bill is identical to that of the previous bill introduced by the Leader of the Opposition.

In fact, in September 1994, only two months ago, in an interview with the *Gazette*, the Leader of the Opposition referred to this legislation as "his baby". During the 1993 election campaign, he made a reference to the legislation in an interview on *Le Point*, when he said: "We must support this legislation". I remember several instances during his previous and present mandate when he supported the principle of this bill.

One can use quotes to prove anything, but perhaps we should also quote what was said by the people of the Quebec centre of environmental law who say this legislation is entirely legiti-

mate. Perhaps we should also quote lawyers Michel Bélanger and Franklin Gurter, and see what they have to say. Lawyers do not all think alike.

But the crucial point is that today, yesterday and the day before, there have been assessments in areas of joint jurisdiction. I explained this to the hon. member for Laurentides the other day. I mentioned several cases: the Port of Cacouna, the Lachine Canal, the Sainte–Marguerite River. Today, she stressed this would be impossible under the present legislation. Prove it! In fact, the legislation has an active provision that allows for administrative agreements with all the provinces, individual agreements under which this kind of joint assessment can be done in an entirely normal and active way. So there is nothing in this legislation to discourage the kind of joint assessment that was done in the past.

The government has no intention of interfering with provincial environmental assessments. She talks about the BAPE as though the BAPE in Quebec were going to disappear. She talked about Quebec's environmental assessment process as though it would cease to exist. Of course it will continue, as will everything else, the same way as in the past. Except that today, in accordance with a formal commitment we made during the election campaign, in the red book, we decided to proclaim this legislation which was initially introduced several years ago and then put on the back burner for a number of years, for no good reason. So at least we had the courage to proclaim it. From now on, all environmental assessments will have to be done on a co–operative basis.

I think the minister made that quite clear. She got in touch with her counterparts, both Mr. Paradis and Mr. Brassard, to explain that the federal government did not intend to encroach on the provincial government's exclusive jurisdiction, but nevertheless, it has certain rights and duties, as ruled by the Supreme Court, that must be respected and that include doing environmental assessments where necessary. I do not see that as an encroachment by centralist federalism and all those big words the hon. member for Laurentides mentioned with such resentment.

Some hon. members: Oh, oh.

Mr. Lincoln: I see this bothers the members of the Bloc. We show them the courtesy of listening to what they have to say, but they never show us the slightest courtesy. All they can do is shout.

• (1150)

That did not prevent me from saying what I think, that is that there are two sides to a coin. You, of course, would like Canada to break up. How could the Bloc Quebecois, the members of the Bloc, possibly accept a federal piece of legislation? Surely it is unthinkable. Indeed, the member for Laurentides showed her bitterness by saying how abysmally ignorant the current minister was on the issue. Speaking about the *Irwing Whale*, she invited the minister "to take a very close look at the matter." What nerve.

In fact, as my colleague said, the current Minister of the Environment was the first one—I think there were six before her, including the Leader of the Opposition who was responsible for the matter for two years and did nothing despite all the mail he received—to take action less than three months after she got the environment portfolio. Now the member for Laurentides who is new to these matters has the nerve to say that the minister is abysmally ignorant.

The Deputy Speaker: Order, please. The parliamentary secretary's time is up. There are five minutes left for questions and comments. The member for Laurentides.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I see that the truth is hard to take. The member made a speech and did not even explain his bill. He simply attacked us while I described specific problems that Bill C–56 would create with the provinces. And he is perfectly aware of them.

Also, the member for Lachine—Lac–Saint–Louis, having himself been a provincial minister of the environment, knows all about the BAPE. He knows perfectly well how it works and should have advised the minister since he knew that the BAPE was managing perfectly well in Quebec. We did not need this federal overlap on environmental reviews. To me the member has just proven that he is totally blinded by his own partisanship and his centralizing idea of federalism.

As for the *Irving Whale*, I was quoting a newspaper when I spoke about it a moment ago. I did not make this up. It was written by journalists who felt very badly served by the Minister of the Environment who did not know the facts at all. So if members opposite will not take some criticism and go back and do their homework, this government has a problem.

Mr. Lincoln: Mr. Speaker, the problem with this government is that it is taking measures that the hon. member's leader did not take for two years with respect to the *Irving Whale*. Ask your leader, when he comes back, what he did about the *Irving Whale*.

I am not talking about Mr. Bouchard as an individual but as the Leader of the Opposition. I would like to ask the hon. member who is criticizing the minister if the Leader of the Opposition, while he was Minister of the Environment and after receiving numerous letters, did anything about the *Irving Whale* when he was responsible for the matter? And you have the gall to criticize the minister who, after only three months, did something about it!

As for the BAPE, I ask the hon. member to prove to the House that the BAPE will disappear, that its operations will change from what they are now. Indeed, I am in a good position to know the BAPE because I established the Lacoste Committee on the BAPE in Quebec. I know the BAPE inside out. You will have to

show me how the BAPE will differ from what it is today and why it will make fewer evaluations.

The BAPE will continue to operate in exactly the same way. What we want to do with the act is to maintain what is already provided for in the federal guidelines. Nothing will change except that there will be an act instead of guidelines. That is all. The federal government has very clear jurisdiction, as I explained, and that is why we are doing this.

How could the PQ and Bloc members, who want to destroy this country, agree with a federal piece of legislation? Of course you will not support a federal law! Name one other province, only one that refuses Bill C–13 today. Name only one. If you can, I will support you.

• (1155)

The Deputy Speaker: I would like to ask members to direct their observations to the Chair for reasons which have been explained at least a hundred times before. There is about a minute left, and we will use it for questions or comments. I recognize the hon. member for Frontenac and I ask him to be brief.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Of course, Mr. Speaker. There is a potential ecological problem which goes back almost 25 years. I would like to remind the former Quebec minister, who had the environment portfolio at the time, that when the *Irving Whale* sank, she was in so–called international waters. The Liberal Party, under Mr. Trudeau, extended our jurisdiction to 100 nautical miles and thereby assumed responsibility for the wreck.

True, the minister reacted positively three months after she took over as Minister of the Environment. However, what the hon. member for Lachine—Lac–Saint–Louis does not say is that from 1970 to 1994, except for nine years of Conservative government and nine months under former Prime Minister Joe Clark, the environment portfolio was continuously held by the Liberals.

Mr. Lincoln: Mr. Speaker, I do not think that deserves an answer. I believe that the actions of the minister speak for themselves. She is the first to take concrete measures and the first to have the courage to act on this. The actions speak for themselves, we do not need any other kind of answer.

The Deputy Speaker: Resuming debate. I recognize the hon. member for Terrebonne. According to my list, the hon. member for Terrebonne should be the next to speak, but if he is not here, we could go on to the next speaker.

Mr. Chrétien (Frontenac): Mr. Speaker, I might be able to explain why the hon. member for Terrebonne is late. I also just got in. I had to take Boulevard Métropolitain in Montreal, and you know how it is. This morning there was a stalled bus, a bit further on a large semi–trailer. All in all, it took me an hour and a half longer than usual to reach the Hill.

An hon. member: Here he comes.

The Deputy Speaker: I think that, with unanimous consent, we can give the floor to the hon. member who just came in.

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, excuse my being out of breath, but as my colleague pointed out, there are times when one is even more in a rush than normally. I want to thank you for having the patience to wait for me. I really wanted to speak on Bill C–56. That is why I asked my colleagues to give me a hand and let you know that I was coming.

However, before I start talking about Bill C–56, in this festive season, I would like to say a few words to the people in the beautiful riding of Terrebonne. As previously mentioned in this House, the riding of Terrebonne is the most beautiful one after your own, dear colleagues. I would like to wish my constituents a very happy holiday season. I also would like to wish all the members of the great Bloc Quebecois family in the riding of Terrebonne a very merry Christmas and a happy New Year. I want to tell them that, in the coming year, we will have to work very hard, and that I look forward to working with them.

I now want to address Bill C–56, an act to amend the Canadian Environmental Assessment Act. It should first be pointed out that the Canadian Council of Ministers of the Environment meets regularly to harmonize, as much as possible, the various environment acts which cause problems between the federal government and the provinces.

While the provincial ministers are trying to agree on how to improve federal–provincial relations on the environment, the federal minister tells them: "You may pursue your useless talks on the harmonizing the environmental assessment process, but as for me, I will proclaim the CEEA which will immediately be amended by Bill C–56 and, in so doing, I will agree to federal interference in this area, which will be legitimized as soon as the bill is passed".

• (1200)

But the minister tells them: "Go on, continue your discussions between provinces, while I put forward the so–called flexible federalism". The subject of flexible federalism was raised last Thursday, and my colleague from Laurier—Sainte–Marie gave us a definition of flexible federalism: it is a federal system in which the federal government encroaches on the provinces and the provinces give in. Bill C–56 is a case in point.

This short bill is designed to amend Bill C–13 with just four clauses, but these clauses show the federal government's intention to interfere in environmental assessment.

Logically, the federal government should limit itself to environmental assessments of projects for which it is the main developer, projects carried out on crown lands or Indian lands that require its specific authorization or to which it contributes so much that the very project depends on it. That is not the case with Bill C–56.

With Bill C–13 as amended by Bill C–56, the federal government is moving in the opposite direction. It gives itself the authority to make assessments in just about any circumstance, based on the various criteria prescribed in the legislation. This bill, if adopted, that is if Bill C–56 is allowed to amend Bill C–13, will result in legal controversy, federal–provincial conflict, again, immeasurable cost due to overlap, endless delays for the proponents. For developers, it will mean loss of contracts, loss of projects, loss of economic benefits.

Finally, the most deplorable effect this bill will have is inadequate environmental protection, because of the stubbornness of governments—need I remind you—as it is the duty of each to protect its own jurisdiction. Imposing federal jurisdiction on the provinces like that is not the way to go. The biggest loser in all this will be the environment, the very thing we were supposed to be protecting. The primary objective of the legislation is nullified by this legislation, this amended legislation. How great.

I am certainly not saying that it would be easy to determine which level of government should have jurisdiction on the environment. The constitutional division of environmental law–making powers is complex; the Constitution allocates certain responsibilities to the provinces and others to the federal government.

The Canadian Constitution does not give jurisdiction over the environment to the federal government or the provinces. When legislative powers were divided in 1867, the people and Parliament knew very little about the problems of pollution and environmental degradation. We must understand that the Fathers of Confederation could not include in the Constitution matters which were not then of public interest. That is partly why this sector is not among the various responsibilities assigned to the two levels of government under sections 91 and 92 of the 1867 Constitution Act.

While provincial environment ministers are trying to come to an agreement because the Constitution is far from clear on who is responsible for what in this area, the minister jumps into the fray saying, "Get out of my way. I am the boss in this matter".

Unfortunately for her, the official opposition is standing guard and will not remain silent on a bill like C–56, which will undermine the environmental assessment powers of Quebec and the other provinces by complementing C–13. It must be pointed out that Quebec has its own environmental assessment law, the Environment Quality Act. This law was even called one of the best in the world and one of the best assessment procedures.

With over 20 years of experience in environmental assessment, Quebec is way ahead. Why set this aside? Why reject this out of hand? Bill C–56 calls into question expertise that was acquired two decades ago.

• (1205)

On many occasions, the federal government has shown its interest in the environment. It has put forward principles like sustainable development, the fact that the environment knows no boundaries, and the national interest. On environmental issues, we have also been told about peace, order and good government, which are found in section 91. In short, a whole slew of arguments that we consider indefensible a priori. We have evidence to the contrary.

Bill C–13, as amended by Bill C–56, is a real legal hornets' nest. As you know, the great majority of legal challenges in this field end up in the Supreme Court, which means long delays, and except for lawyers, no one wins in these sterile conflicts. Here we might recall the dilemma opposing Hydro Québec and the Canadian government. I think it is worth giving an example to show that it is not easy to meddle so obviously in another's environmental jurisdiction.

Yes, the dispute arises from the Canadian Environmental Protection Act and not Bill C–13, but the example could very well apply to Bill C–13. The second part concerning toxics is at issue but I am sure that the ruling enlightens us on the wrong direction taken in Bill C–56. Let me quote you part of the sentence handed down by the Quebec Court and upheld by the Quebec Superior Court:

"Giving the federal government jurisdiction over the environment would allow it to infringe on provincial fields of jurisdiction. I repeat here those listed by the applicant: Section 92, subsection 5, public lands belonging to the province; section 92, subsection 8, municipal institutions; subsection 10, local works and undertakings; subsection 13, property and civil rights; and, finally, subsection 16, matters of a merely local nature".

These are some of the provisions which made these two authorities come to the following conclusion: "I have already said that, in my opinion, this section cannot fall under the general power of the federal Parliament to make laws for peace, order and good government. I am also of the opinion that this section cannot fall under the power to legislate criminal law. I therefore declare this section—of the Canadian Environmental

Protection Act—to be ultra vires". That section of the act relating to PCBs and deemed to be ultra vires can have a bearing on the whole underlying philosophy of the Canadian Environmental Protection Act.

The government, which is not even waiting for the impending conclusion of this judgment, now wants to impose an amendment which will also be challenged. Who is the government trying to please, if not lawyers? We wonder.

A court has doubts about the federal authority. The government ignores the decision and continues to interfere even more, probably in the hope of having its other environmental act challenged all the way to the Supreme Court of Canada and see that tribunal conclude that it is *ultra vires*.

Why is the government so stubborn? It cannot even fulfill its current commitments, yet it keeps asking for more. As you know, in spite of the conventions and treaties signed, the Great Lakes and the St. Lawrence River are more polluted than ever before. In spite of the billions of dollars spent, as mentioned in the newspapers last week, acid rain keeps poisoning our forests and lakes. In spite of the treaty signed in Rio, Canada has not reached its objective of reducing greenhouse gases. And the federal government still wants to interfere in a field which falls under provincial jurisdiction. We must wonder why the federal government wants to interfere in areas under provincial jurisdiction when it cannot even adequately carry out its own obligations. Tell me why.

After all, Canadians and Quebecers will have to foot the bill for this. Some would argue that the environment knows no boundary, and it is true. We are reminded of that so often that we have to wonder why broader international treaties are not signed. Yes, we agree that the government has the right to sign such agreements, but when it does, it cannot even honour them.

In 1992, the federal government became involved in promoting sustainable development, but did not meet its objectives. This example and all the others I have already given show why, with our expertise is Quebec, with a bill like Bill 26 passed by the Ontario legislature to protect its environmental rights, with the environmental agreements reached with Alberta and with all the various agreements, we just have to reject Bill C–56 that would amend Bill C–13 and create grey areas in interpreting the law. Before passing any laws that would raise doubts, we must determine who has jurisdiction in this area. I think the minister should listen to what the Canadian Council of Ministers of the Environment has to say.

• (1210)

I urge the House to examine, reconsider and reject Bill C–56.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I only want to say that this third reading debate is perhaps the last and only opportunity we will have to speak on Bill C–56. The Committee on Environment, is touring the country and we realized that the bill raises great concerns. Business people and provinces are worried and provincial environment departments are not sure how this legislation works. All they see is overlap and duplication.

The message here to Quebec and the other provinces, which will have the same problem, is that it will cost an arm and a leg to administer. We have to save everywhere, I think, not only in the budgets and things like that. All departments must do their part to save and reduce the current deficit, and the Department of the Environment is no exception.

The Department of the Environment should perhaps better administer its budget and avoid overlap and duplication of services that already exist in other jurisdictions, namely the provinces. This bill will not work. It will cause economic and legal problems. It will be awful for Canada's and especially Quebec's economic development.

These are the simple comments I wanted to make.

Mr. Sauvageau: Mr. Speaker, first of all I would like to thank my colleague for her very pertinent remarks concerning Bill C–56. As she said in her speech and as I said in mine, the House is now aware of the reasons why we do not support this bill. I think that the arguments she so eloquently put forward and the ones I tried to present to the House myself explain why we have to oppose this bill.

We agree that the federal government used to be able to intervene and conduct an environmental assessment on federally owned land in an area under provincial jurisdiction. For example, right now, in my riding, the Department of National Defence is clearing an army mine field. It laid the mines in the first place. In this instance, we cannot ask Quebec to allocate funds to clean up a mess for which the Department of National Defence is responsible.

We are asking the federal government to honour its commitments on federally owned land. But we are being told in this bill that the federal government will be able to assess projects if it made any kind of investment, issued a licence, or had anything at all to do with them. In other words, the federal government will be able to subject any projects proposed by a province to an environmental assessment. We believe that this bill will lead to countless legal disputes and that is why we cannot support it.

I thank the member for Laurentides for her comments which are in total agreement with what I said earlier.

• (1215)

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, despite his late arrival, I congratulate my colleague, the member for Terrebonne, on his speech. As we say on the Beaupré coast, he landed on his feet.

I quote from an article under the heading "Oil covered young hooded seal found alive in Madgalen Islands", published Thursday, December 8 in *Le Soleil* from Quebec City, because a few minutes ago, the Parliamentary Secretary to the Minister of the Environment bragged that his government acted quickly to refloat the *Irving Whale*. I quote *Le Soleil*: "Olivier, the veterinarian, mentioned the barge *Irving Whale* whose vents leak oil and which the federal Minister of the Environment refused to plug, saying that the leaks did not have much impact on the environment". I would like to know what my colleague from Terrebonne thinks of that.

Mr. Sauvageau: Mr. Speaker, I thank the hon. member for Beauport—Montmorency—Orléans. I tried to land on my feet, but I am not in total agreement with him. Granted, the environment minister did decide quickly that something had to be done. Except that her decision was that something should be done in five, ten or fifteen years—we shall see.

She was quick to say something should be done, but she will not move as quickly to get things done. We should be able to agree on that. Is the *Irving Whale* involved in all this? Yes, obviously. In other words, the only thing the minister has done so far is to acknowledge that there is a problem with the *Irving Whale*. We could congratulate her on that, but I think just about anybody could recognize that problem.

She told us she will probably refloat the barge, and that she will probably do it very soon. In Liberal terminology, "very soon" means we will have to wait for quite a while. Are we justified in asking questions about the refloating of the *Irving Whale*? Yes. At this very moment, as my colleague from Laurentides told us, there are oil leaks in that area.

Recently, dead ducks have been reported in that area. They have been killed by oil leaking from the *Irving Whale*. There is also the seal issue which my colleague from Beauport—Montmorency—Orléans just mentioned, and many more environmental problems that have a terrible impact. Every day that goes by has catastrophic consequences in that area, and if one decision should be made quickly, it is to solve the problem immediately.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Call in the members.

And the division bells having rung:

The Deputy Speaker: Pursuant to Standing Order 45(5)(*a*), I have been requested by the acting government whip to defer the division until a later time.

[*English*]

Accordingly, pursuant to Standing Order 45(5)(a) the division on the question now before the House stands deferred until tomorrow at 5.30 p.m., at which time the bells will sound for 15 minutes.

* * *

• (1220)

IMMIGRATION ACT

The House proceeded to the consideration of Bill C–44, an act to amend the Immigration Act and the Citizenship Act and to make a consequential amendment to the Customs Act, as reported (with amendment) from the committee.

SPEAKER'S RULING

The Deputy Speaker: Colleagues, this is a ruling by the Chair.

[*Translation*]

There are 23 motions in amendment on the *Notice Paper* for the report stage of Bill C–44, an act to amend the Immigration Act and the Citizenship Act and to make a consequential amendment to the Customs Act.

[*English*]

Motions Nos. 1, 3, 4, 5, 6, 8, 9, 10, 11, 12, 18, 19 and 23 will be grouped for debate.

[*Translation*]

A copy of this ruling can be sent to anyone who wants one.

[*English*]

A vote on Motion No. 1 applies to Motions Nos. 3, 4, 5, 6, 8, 9, 10, 11, 12, 18, 19 and 23.

[*Translation*]

Is that clear? Motions Nos. 2 and 7 are identical to motions that were presented and defeated in committee. Consequently, pursuant to Standing Order 76.1(5), they will not be selected.

Motions Nos. 13 and 14 will be grouped for debate but voted on separately.

[*English*]

Motions Nos. 15, 16 and 17 will be grouped for debate but voted on separately. Motion No. 20 will be debated and voted on separately.

[*Translation*]

Motions Nos. 21 and 22 will be grouped for debate but voted on separately.

[*English*]

MOTIONS IN AMENDMENT

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): I rise on a point of order, Mr. Speaker.

As you may have been briefed, I discussed with my hon. critics from both the Bloc and the Reform Party in seeking unanimous consent this morning at report stage to introduce an amendment on clause 20 which would have the effect on those individuals who are currently in federal penitentiaries who would be deportable at the end of their term, that they not be given consideration for either day parole or unescorted temporary absences. It would seem illogical that individuals who upon completion of their term were to be deported should be moved back into the Canadian community.

I seek unanimous consent so that that may be added to the list of clauses that will be debated at report stage.

The Deputy Speaker: Colleagues, my understanding is that this motion was ruled to be beyond the terms of the bill. As members know, members can by unanimous consent do whatever they wish to do, and this would appear to be one of those situations.

[*Translation*]

Is there unanimous consent to accept the motion moved by the minister?

Some hon. members: Agreed.

The Deputy Speaker: The House will vote on the motion moved by the minister at the end of the list.

I shall now propose motions Nos. 1, 3, 4, 5, 6, 8, 9, 10, 11, 12, 18, 19 and 23 to the House.

Mr. Osvaldo Nunez (Bourassa, BQ) moved:

Motion No. 1

That Bill C–44, in Clause 1, be amended by replacing line 8, on page 1, with the following:

"made under subsection 23(4),".

Motion No. 3

That Bill C–44, in Clause 3, be amended by replacing line 19, on page 3, with the following:

"may, subject to subsections (4), (4.2)".

Motion No. 4

That Bill C–44, in Clause 3, be amended by deleting lines 45 to 48, on page 3, and lines 1 to 25, on page 4.

Motion No. 5

That Bill C–44, in Clause 3, be amended by replacing line 27, on page 4, with the following:

"tion (4) shall truthfully provide such".

Motion No. 6

That Bill C–44, in Clause 3, be amended by replacing line 39, on page 4, with the following:

"or a conditional departure order".

Motion No. 8

That Bill C–44, in Clause 6, be amended by replacing line 44, on page 6, with the following:

"subsection 23(4) or a departure order".

Motion No. 9

That Bill C–44, in Clause 8, be amended by replacing line 23, on page 7, with the following:

"to in any of subsections 23(4) or".

Motion No. 10

That Bill C–44, in Clause 10, be amended by replacing line 6, on page 8, with the following:

"under subsection 23(4) or (4.2) or".

Motion No. 11

That Bill C–44, in Clause 10, be amended by replacing line 14, on page 8, with the following:

"under subsection 23(4) or (4.2) or 27(4)".

Motion No. 12

That Bill C–44, in Clause 11, be amended by replacing line 23, on page 8, with the following:

"23 (4.2) or 27(6), shall cause an".

Motion No. 18

That Bill C–44, in Clause 16, be amended by replacing line 4, on page 15, with the following:

"section 20(1) or 23(4) or (4.2) or".

Motion No. 19

That Bill C–44, in Clause 17, be amended by replacing lines 11 and 12, on page 15, with the following:

"pursuant to subsection 20(1) or 23(4) or (4.2); or".

Motion No. 23

That Bill C–44, in Clause 25, be amended by deleting lines 10 to 26, on page 19.

• (1225)

He said: Mr. Speaker, Bill C–44 to amend the Immigration Act and the Citizenship Act and to make a consequential amendment to the Customs Act went through first reading in the House of Commons on June 17, 1994. It was passed at second

reading on September 27 with our support, because we supported the principle of this bill, and was then referred to the Standing Committee on Citizenship and Immigration.

The committee tabled its report on December 8, after hearing several organizations concerned with this bill. It is a very complex and highly technical bill. We moved several amendments and the Speaker grouped them into five main motions for debate.

The first debate deals with the issue of the powers of senior immigration officers, or SIO, as they are called in the Department of Citizenship and Immigration. The main clauses relating to the powers of the senior immigration officer are clauses 4 and 19 of Bill C–44. These already very wide powers are being considerably increased with respect to the exclusion of refugee status claimants at Canadian borders or entry points.

Another clause relating to powers has been included in Bill C–44 and would give the senior immigration officer the authority to issue a warrant for the arrest of people who do not show up for an examination or inquiry.

Clause 19 of Bill C–44 says that a warrant for the arrest of any person may be issued where a decision is to be made pursuant to subsection 27(4), that is administrative removal.

Section 103(*i*) of the Immigration Act states that a warrant for the arrest and detention may be issued against any person where an examination or inquiry is to be held and where there are reasonable grounds to believe that the person poses a danger to the public or would not appear for the examination or inquiry.

Clause 19 of Bill C–44 amends section 103 of the Immigration Act so that a warrant for arrest may be issued against any person where a decision is to be made by the senior immigration officer. That warrant for arrest may be served by the police so that the person is forced to appear.

My amendment would ensure that a notification to appear or to attend would be sent before any warrant for arrest is issued. I believe that we must add this notification as a prerequisite in the bill.

The bill gives too much authority to the senior immigration officer who already has enough. We must prevent unnecessary and arbitrary arrests, particularly since this arrest warrant is not issued by a judge, as it normally is in all democratic societies, but by a civil servant.

• (1230)

Often, people cannot appear because they changed address and did not get the notification. Sometimes the civil servant's computer did not take in the person's new address. Those are my comments on the power to issue warrants for arrest.

Let us now briefly analyze the additional power given to the senior immigration officer, who would have the authority to exclude some persons at the border or point of entry. As things now stand, the senior immigration officer has a specific and very wide jurisdiction. He may make an exclusion order for anyone arriving at the Canadian border. At the present time, if the senior immigration officer receives a person who does not come under his jurisdiction, he must order an inquiry and refer the case to an adjudicator.

With Bill C–44, the minister wants to change that and significantly increase the powers of the senior immigration officer. He wants to allow this person to make exclusion orders, even outside his jurisdiction, and this is unacceptable. This means that the senior immigration officer can, if he is convinced that the case does not warrant an inquiry, refuse entry, at the border, to someone who might need Canada's protection.

We totally disagree with clause 4 of Bill C–44, for various reasons. The bill is not consistent. On the one hand, it says that some cases do not come under the jurisdiction of senior immigration officers, but on the other, it allows these same officers to make exclusion orders without inquiry, and this is serious.

If the government wants fair and consistent legislation, it should say that when a case is processed by a senior immigration officer who does not have jurisdiction, it must be referred to the adjudicator for an inquiry. The adjudicator is a civil servant who is supposed to be impartial. Senior immigration officers have less expertise and less understanding of the laws and regulations than adjudicators.

Ever since the 1985 Supreme Court decision in the Singh case, every person in Canada, not only Canadian citizens or landed immigrants, is protected by the Charter of Rights and Freedoms. In order to have a fair and just system, there must be an inquiry whenever the situation is not clear, in particular in those cases which do not come under the jurisdiction of the senior officer.

The Supreme Court also said that the possible costs of such an inquiry on certain refugees do not constitute a reasonable justification to limit this right. According to the Supreme Court, the fact that the government deems an inquiry to be too expensive is not a good enough reason to deprive someone of the right to have one.

• (1235)

Other clauses of the bill give considerably more power to public officials and I will get back to that later. For instance, customs officers will be allowed to search international mail, examine documents, and in some cases, immigration officers will be able to seize those documents.

Therefore, for all these reasons, we are opposed to this considerable increase in the authority of senior immigration officers. Under the circumstances, we believe that the status quo is fairer and more just. This is why we presented our motion to amend Bill C–44.

[*English*]

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I will be brief. The motions being offered in amendment by my hon. colleague from the Bloc would thoroughly gut this bill.

We oppose the amendments, not because we support the bill. While the bill is unenforceable and poorly thought out, its intent is acceptable. These amendments would have the effect of removing even the good intent of the bill.

Specifically the amendments remove the authority of senior immigration officers dealing with removals and deportations. They take away authority from the minister and deputy minister to apply removal law to visitors in Canada.

In short, my colleagues in the Bloc want the status quo in immigration or less than status quo. They do not want to see a change in refugee policy but I believe the Bloc does not speak for Canadians in this area. They do not think that Canada's immigration law needs to be toughened up. Needless to say, we disagree. Therefore we oppose these amendments.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, before I speak to the amendments tabled under group one, I would like to thank the Bloc as well as the Reform Party for permitting the House to add to the list of motions the amendment that I will be speaking to later with respect to day parole and release.

Of the amendments in group one, the principal one is Motion No. 3. All others in group one are a consequence of Motion No. 3.

The current situation is that when a person contravenes the Immigration Act on more than one ground, a senior immigration officer cannot issue a removal order and must go to an inquiry. We are not trying to seek more power for the immigration officer for the sake of power or we are not trying to seek to block the entry of legitimate immigrants or legitimate refugee claimants.

On the contrary, we are trying to apply some common sense and some efficiency to the system. For example, if an individual comes to the border and has an inappropriate visa or an inappropriate passport that individual is blocked from coming into the country. Or if an individual in the country has overstayed his or her visit, the immigration officer is permitted to ask that individual to be removed from Canada.

The complications under the current legislation come into play if the individual who has the wrong passport or the wrong visa also has a serious violation against the Immigration Act, let us say a conviction of some sort. Then the immigration officer, because of the serious allegation, cannot move out the individual based on the lesser one of the two violations. We are trying to correct this area in the legislation which, quite frankly, does not make sense.

• (1240)

If the person has two violations, one minor and one more serious, why can the immigration officer not move out the individual based on the lesser of the two offences? He could do so if the individual only had one minor charge.

Presently the senior immigration officer cannot move out the individual because of the serious charge. A serious charge requires an inquiry. We are attempting to clarify and render the system more efficient.

If there is a lesser contravention and a more serious contravention of the act we do not push an inquiry needlessly because, if the legislation would permit it, it would allow an officer to remove the individual on the lesser of two charges. Ultimately the serious charge would probably render the person removable anyway.

The Deputy Speaker: Are his remarks being directed at the motion that by unanimous consent is to be voted on later? Do I misunderstand? If he is speaking to that issue, it will be dealt with later.

We are now dealing with the issues presented by the hon. member for Bourassa. I would ask the minister to direct his comments if he would only at the matters before the House now.

Mr. Marchi: Mr. Speaker, with all due respect that is exactly what I am doing. I am speaking to the first group of amendments. I am not talking about the day parole or the unattended escort. That I know will be debated at the very end. I am debating the motion put forward by the Bloc which would not allow the senior immigration officer to remove an individual with two contraventions but would have to move the person through an inquiry.

We should try to make the system more efficient. Yes, an individual must be given full rights under the law but where there has been a contravention of the act I do not think an individual should be permitted to stay just because there are two contraventions. If there was one minor contravention that individual would have been removed. I do not see the logic of the current legislation. That is why I oppose the series of amendments in group one.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I would also like to talk about the motions introduced by my colleague for Bourassa. Of course I will not list them all. I would simply like to say that the motions which are being debated seek to

amend Bill C–44, and in particular clause 3(2) and (4.01) and, of course, the corresponding references.

I would like to take a few minutes to talk about the general scope of those motions, particularly with respect to subsection (4.01), which confers a wider jurisdiction to the senior immigration officer at the expense of the adjudicator and this transfer of authority seems unjustified to us.

Indeed senior immigration officers who are in fact officials of the Department of Citizenship and Immigration would be given greater powers at the expense of the fair treatment provided for by the quasi–judicial mechanism, that is, the power of the adjudicator.

Subsection (4.01) confers and re–inforces what was already provided for in the act, namely the concept of expeditious justice without any procedural guarantees and without the presence of a lawyer or a counsellor.

Besides being authorized to make exclusion orders against certain persons already referred to in section 19 of the act, under Bill C–44, the senior immigration officer will be allowed to make an exclusion order against all classes of inadmissible persons, to order an inquiry and to allow such persons to leave Canada forthwith.

• (1245)

Obviously, in our opinion, the government is slowly dismantling the arbitration structure for the benefit of its officials. We should be concerned about that and reject the measures proposed to that end. This is the precise purpose of the motions that the hon. member for Bourassa explained so well.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), the division on the proposed motion stands deferred.

Motions Nos. 13 and 14 will be grouped for debate but voted upon separately.

Mr. Osvaldo Nunez (Bourassa, BQ) moved:

Motion No. 13

That Bill C–44, in Clause 12, be amended by replacing line 21, on page 11, with the following:

"years or more may be imposed and the person was sentenced to a term of imprisonment of two years or more and the".

Motion No. 14

That Bill C–44, in Clause 12, be amended by adding after line 23, on page 11, the following new section:

"12.1 The Act is amended by adding the following after subsection 53(1):

"(1.1) Paragraphs (1)(*a*) to (*d*) do not apply to a person

(*a*) who was admitted to permanent residence in Canada before attaining the age of ten years where it is demonstrated that the person has no emotional or other ties to the country to which it is proposed the person be removed, or

(*b*) who has been admitted to permanent residence in Canada and has resided in Canada for ten years or more since being admitted."."

He said: Mr. Speaker, the second group of motions being debated concerns the deportation of permanent residents who have been convicted of an offence for which a term of imprisonment of ten years or more may be imposed. Clause 12 of Bill C–44 describes the circumstances under which convention refugees may be removed.

The bill provides that any person who has been convicted of an offence under any act of Parliament for which a term of imprisonment of 10 years or more may be imposed may be sent back to his or her country of origin. Maximum terms of ten years or more are handed out for offences, many of which are listed in the Criminal Code, such as use of a forged passport, theft exceeding $1,000, unauthorized use of a computer, counterfeiting stamps, and so on.

Clause 12 does not differentiate between serious or major crimes and minor crimes that have no serious consequences for Canadian society. In other words, the bill does not take into account the actual duration of the sentence imposed on an individual for a given offence. This amendment will prevent potential injustices that would result from the application of this provision.

Our amendment will prevent individuals who committed minor offences from being sent back to their country of origin. It ensures that the bill recognizes the seriousness of the offences in question and the actual duration of the sentence imposed on permanent residents convicted of offences considered serious.

• (1250)

We think that the maximum sentence should be reduced from ten years to two and that only the actual duration instead of the maximum sentence should count.

Our second amendment to this clause is to prevent the deportation of permanent residents who have resided in Canada for a long time.

As it stands, the bill does not provide any protection to permanent residents established in Canada for a long time who, therefore, have little or no emotional ties to their country of origin. This is presently the case of many people in Canada.

Let us not forget that there are many people in Canada who have been living here for many years without having acquired Canadian citizenship. Some residents do not want to lose their original citizenship while others are not even aware that they are not Canadian citizens because they were admitted to Canada when very young.

Our amendments will protect these people's most fundamental rights. As a result, those admitted to permanent residence in Canada before attaining the age of 10 years and those who have resided in Canada for 10 years or more are exempted from this section.

Unfortunately, the Liberal majority on the Standing Committee on Citizenship and Immigration did not take into consideration the numerous contributions and recommendations proposed by the organizations and individuals who appeared before the committee. They were very concerned about this situation, and we deplore the fact that although this majority on the Standing Committee on Citizenship and Immigration invited organizations and individuals from across Canada, the committee and the Liberal majority did not take into consideration their very worthwhile contributions to the committee's discussions.

Many of the briefs, particularly the one from the Quebec immigration lawyers' association, suggest creating a non-deportable class. Our amendments, in this motion, reflect this concern which we share entirely.

We also tabled this amendment because of family considerations. You may have heard of the European Convention on Human Rights. There is a European Commission of Human Rights. The European Court of Human Rights has ruled that deportation orders interfere with the law and with respect for family life under section 8 of the convention, arguing that it must be demonstrated that government decisions likely to restrict family rights are necessary in a democratic society, that is, justified by a very sound social need, and that these restrictions must be proportional to the legitimate objective sought.

We think that this provision of Bill C-44 goes against all the precedents established by the European Court of Human Rights.

• (1255)

Canada contracted obligations that are largely similar to the European Convention on Human Rights when it ratified the International Covenant on Civil and Political Rights. Canada has always maintained that sections 7 and 15 of the Canadian Charter protect the rights of families.

In April 1994, we received a report from Waldman and Davis called "The Quality of Mercy". This bill in general and especially the provisions concerning individuals punishable by a jail term of ten years or more are not at all in keeping with this quality of mercy or with the legal precedents established in other countries. On the contrary, it violates existing provisions that have been accepted in other democratic societies. I do not think that the bill reflects the quality of mercy suggested in the report by Waldman and Davis.

[*English*]

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, my intervention will be very brief.

In speaking to Motions Nos. 13 and 14 concerning the conditions of expulsion I believe members of the Bloc Quebecois Party fail to understand what the Canadian people have been saying. Canadians have been putting pressure upon not only the government but upon representatives to Parliament like myself.

As the member representing the Bloc speaks, it would seem we are talking about dealing with people who broke regulations and failed to understand the seriousness of what may have happened and their situation in Canada.

As we look at the bill these are matters of serious intent. The bill is attempting to deal with excluding people from Canada who have committed serious offences. These motions in amendment would erode the intent of the bill. Members of the Reform Party are in favour of much of the bill, but we have great difficulty with the inability of enforcement. For that reason we will be opposing the bill as a whole but we have no intention of weakening the content. We are therefore opposing these two motions.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I suppose during third reading we will be able to debate the whole question of the position of the Reform Party. It is supporting the intent of the bill in many clauses but voting against it because there is an assumption or preposition that somehow the intent will not be realized. That is probably better suited for third reading debate.

I will address the two motions under the second group. They would seek to change clause 12 of Bill C-44. It is unfair to suggest, as the Bloc critic has done, that the committee was

blind or deaf to a number of the representations made with respect to clause 12. There was introduced at committee stage an amendment that would seek to clarify the intent and the purpose of Bill C–44.

• (1300)

Clause 12 suggests the following: When there are execution or removal orders against certain residents who have committed certain crimes, we are trying to suggest that individuals who have committed the crime may be punishable by 10 years or more as well as having received a certificate from the minister or his or her designate based on the seriousness of the crime.

When you get a certificate essentially there are four categories to that crime, either the violence of the crime, crimes related to sexual assault, crimes related to weapons charges and crimes related to drug peddling and the importation of drugs. When a certificate is given to an individual for those serious crimes that are punishable by 10 years or more we are suggesting not only that we have the ability to remove an individual but to also remove the humanitarian and compassionate grounds from the IAB and move that over to the department.

The Bloc amendment would amend that thinking to individuals who have been sentenced to a period of imprisonment of two years or more. The effect of that amendment would restrict the government's ability to remove those individuals and would push more of the emphasis to our courts. I think it has to be stated quite openly that many individuals who have committed a crime punishable by 10 years or more in the end receive much less than the two years which is the threshold being suggested by my hon. friend in the Bloc.

I think we should try to keep the focus on immigration as opposed to moving it squarely over to the court system. A number of decisions for a variety of reasons such as plea bargaining or keeping the person in a provincial prison would assume less than two years rather than two years or more because that is the threshold at which time the person would be in a federal penitentiary, are reasons why the judge may say less than two years so that the person may be kept at a provincial penitentiary for a variety of reasons. There are other concerns that the court system may recognize that do not account for immigration concerns.

The amendment would not only lessen the threshold to a very low threshold, which I think is unfair if the person has committed a serious crime and has been certificated as being a danger to the public based on those four categories, but it would also shift the onus of these individuals on to the court system which I think would be a mistake and which would render immigration arguments certainly secondary to other arguments that the judge may feel quite legitimate nonetheless. I believe that it would be a mistake on our part if we were to support Motion No. 13.

The second amendment would try to amend the same clause and try to define in law who may be deported or who may not. The Bloc has suggested that permanent residents before the age of 10 and who have no ties to their country of origin not be subject to deportation. They also say that anyone who has been a permanent resident for over 10 years, regardless of the crime, may not be deported.

I have difficulty with this on two fronts. First, when the Bloc suggests a person before the age 10, why 10? What if the person were nine or eleven or twelve? It is arbitrary. To put arbitrarily arrived at figures in law I would suggest is very restrictive. I do not think it would be the appropriate thing to do. I do not know how the Bloc arrived at the age of 10, but I do not think we should have laws that restrict our ability to remove individuals who face serious crimes based on an arbitrary figure or individuals who have been here more than 10 years.

The Bloc is saying if you are here more than 10 years you are considered perhaps to be more of a citizen. What if an individual clocks in at nine years in this country?

• (1305)

Is the Bloc therefore agreeing that regardless of the crime the person who spent nine years is not worthy of that compassionate consideration, but someone who stayed here an extra 12 months would be? I think that is the area that is going to constitute many problems if we put those arbitrary figures into legislation.

I think it would be more appropriate that those kinds of considerations be dealt with under humanitarian and compassionate reasoning where there is the flexibility to concern ourselves with rather than writing it into law.

Second, and fundamentally flawed, is the thinking that somehow the years of residence in one's country at all times, if we accept this amendment, outweighs the seriousness of the crime. I do not think we should accept that kind of reasoning. What I think Canadians are saying is that we are trying to seek an equitable balance.

We are not saying that immigration equals criminality, for goodness sake. We are not saying that. We are saying that there are the few who make it difficult for the many, and that we have to zero in on the few so that we can protect the many, and zero in on the few so that we can protect the integrity of the system.

If we accept the amendments of the Bloc, then we are saying that according to the arbitrary figure of 10, that supersedes any criminal activity in this country. Instead, I believe it is the reverse. There are certain crimes that are absolutely repugnant. If the landed resident was here 10 years, 20 years, 30 years, it still does not give that person the right to simply dismiss a serious crime against young children, or murder, or an aggravated sexual assault that turns people's stomachs. We should not simply rest on the case that just because the person has been here

for 10 years that the crime is all of a sudden forgotten. We have to stand up for certain values and send certain signals.

That is where I think putting the arbitrary figure of 10 into law creates more problems than it solves. I believe that those considerations should be under humanitarian and compassionate grounds and not the letter of the law.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, in spite of the explanations provided by the minister, I think it is important to reiterate the objectives of the motions to which the hon. member for Bourassa referred earlier.

The purpose of Motions Nos. 13 and 14 tabled by the Bloc Quebecois to amend Bill C–44 is twofold. Motion No. 14 would add two categories of individuals to the list of those who cannot be deported for criminal behaviour. Motion No. 13 would amend Bill C–44 to take into account the seriousness of the crimes committed and the sentences actually handed down to permanent residents.

Let us first look at Motion No. 14. Paragraph (*a*) seeks to exclude from the deportation process persons who were admitted to permanent residence in Canada before attaining the age of ten years, where it is demonstrated that the persons have no emotional, family or other ties to their country of origin.

Some permanent residents arrived in Canada as children. For all sorts of reasons, these people never sought to obtain Canadian citizenship. Now, they are adults and work here; they also have a family here, but no longer in their country of origin. These people are, in essence, Canadians or Quebecers. We think that sending them back to their country of origin makes no sense and is inhumane.

These people grew up in Canada and developed their talents, as well as their flaws, here. They are a product of Canadian society. It would be too easy to get rid of criminals by sending them back to their country of origin, which they left as young children. Moreover, deportation could be too harsh a sentence for the offence committed. Not only would these people have to serve a sentence for their crime or crimes, but they would also have to keep living abroad afterwards, far from their family and friends, in a country which is often foreign to them.

• (1310)

Second, the Bloc Quebecois is proposing an amendment to paragraph (*b*) so that permanent residents who have resided in Canada for ten years or more cannot be removed from Canada. This addition is similar to the other amendments and would make Bill C–44 more compassionate for people who have been in Canada for a long time.

By adopting this amendment from the Bloc Quebecois, Canada would not be the first country to act this way. For example, Australia which is often compared to Canada because of its British tradition and liberal immigration policies, already has legislation in this area. Hence, children who settled in Australia before they were ten years old cannot be sent back to their country of origin.

France's immigration policy is reputed to be much more restrictive than ours. However, it has passed legislation to prevent immigrants who have been permanent residents for more than ten years from being expelled.

The government must go beyond partisanship and go along with the Bloc. For compassionate and humanitarian considerations, we must amend Bill C–44 and pass Motion No. 14.

We must also amend the bill by adopting Motion No. 13. To determine the seriousness of the crime, the actual sentence must be taken into consideration, and not only the maximum penalty for a particular type of offence.

In its current form, Bill C–44 only takes into account the nominal sentence, that is the maximum penalty for the type of offence committed, and not the sentence imposed by the judge. Indeed, even though under the Criminal Code a term of imprisonment of ten years may be imposed for a particular offence, the principles of sentencing are applied by the courts in determining the sentence.

For example, a person convicted of breaking into a private residence can receive a life sentence. Offences such as aiding and abetting the issuance of fraudulent credit cards are punishable by a ten–year sentence and could justify the deportation of the accused.

In our legal system, sentences are generally much less severe than the maximum sentence. In some cases, it may not be a term of imprisonment or a fine, but only a suspended sentence, probation or community work. A person could therefore receive a very light sentence and still be forced to leave the country.

Moreover, if our amendment is not adopted, this provision of Bill C–44 could violate the Geneva Convention. The manual of High Commissioner for Refugees says, and I quote: "With regard to the nature of the crime presumed to have been committed, all relevant factors, including extenuating circumstances, must be considered".

Bill C–44 must reflect these remarks. We must adopt the amendment before us to avoid legal complications. The Canadian government cannot refuse to take into account the actual sentence imposed, which is indicative of the seriousness of the crime.

As for the sentence of two years less one day, everybody knows that it is the cut–off point for sentences served in a provincial penitentiary and those served in a federal institution. In Canada, the courts consider the nature of the crime before imposing a term of imprisonment of two years or more. In our legal system, there is a clear difference between a sentence of two years or more and a sentence of less than two years in terms

of the seriousness of the crime. Our amendment reflects this legal reality.

I encourage all members to vote in favour of Motions No. 13 and 14 for simple common sense reasons. As we have just seen, the purpose of Motion No. 13 is to take into account the actual sentence imposed by the judge and not only the maximum sentence of ten years for certain types of crimes. As for Motion No. 14, it is designed to prevent the deportation of de facto Canadians.

• (1315)

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The vote is on Motion no. 13. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76.1 (8), the division on the motion stands deferred.

[*English*]

The next question is on Motion No. 14. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76.1(8), a recorded division on the proposed motion stands deferred.

Motions Nos. 15, 16 and 17 will be grouped for debate but voted on separately.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ) moved:

Motion No. 15

That Bill C–44 be amended by deleting Clause 13.

Motion No. 16

That Bill C–44 be amended by deleting Clause 14.

Motion No. 17

That Bill C–44 be amended by deleting Clause 15.

She said: Mr. Speaker, just a few days after his appointment as Minister of Citizenship and Immigration, the present minister said in an interview with *La Presse* that he wanted a system with as little political intervention as possible. He added that in the judicial system, for instance, there was no political intervention. Once a judgment was made, that was it. He also said that he wanted to reduce political intervention and felt that a stronger appeal mechanism would be the answer.

However, a year later, we have Bill C–44, which in our opinion does the exact opposite of what the minister said he wanted to do, in November 1993. This bill puts excessively centralized powers in the hands of the minister and his officials.

During the hearings of the Standing Committee on Citizenship and Immigration, we heard this confirmed by many agencies. Bloc Quebecois amendments for deleting clauses 13 and 25 of Bill C–44 were supported by the Canadian bar association, the Canadian council for refugees, the Quebec immigration lawyers' association and the refugee lawyers association, for instance.

The present legislation allows permanent residents convicted of an offence for which a term of imprisonment of 10 years or more may be imposed to appeal to the Immigration Appeal Division. This appeal may be invoked to quash a deportation order or to stay execution of such an order on compassionate grounds.

• (1320)

Maintaining clauses 13 and 15 which reinforce the minister's powers of political intervention means that the minister and members of this House will be constantly asked to review immigration cases on compassionate grounds.

We are well aware of the pressures on elected representatives and especially on the Minister of Citizenship and Immigration. Public opinion, exacerbated and conditioned by a few sensational cases and the media's coverage of then, and, of course, political pressure from countries we do not want to offend for commercial or economic reasons are just a few examples.

Because of these pressures, it is easy to imagine what kind of decisions will be made: decisions based on a set of subjective, unpredictable factors that will vary from case to case, despite

their similarities. Are we prepared to take that risk? Certainly not. The system already lacks credibility. Why make it worse?

We can expect another problem if the new legislation is not amended. As we know, immigration officials no longer meet clients in their offices and no longer answer telephone calls directly. Unfortunately, all processing of immigration files has been centralized, and regional offices are now an empty shell. To politicize the process will deprive immigrants and their relatives of the opportunity to talk with the officers in charge of making decisions which will be critical for them.

Moreover, as was pointed out in the Auditor General's report in 1990, the Davis–Waldman report and by many public servants, there is an obvious lack of training among immigration officers. This may seriously jeopardize the fairness of the process.

We cannot endorse this desire to centralize and politicize the immigration decision–making process .Decisions will be made behind closed doors. Generalists lacking the necessary training would make the decisions now made by specialists. There is no guarantee that, under these conditions, in similar cases, decisions will not be different and therefore inconsistent. Why trivialize these decisions by turning them into administrative decisions whereas, at the present time, they are quasi–judicial and based on case law with a proven track record?

Moreover, Bill C–44 proposes that the immigration minister become a new court and replace the IRB when it comes to the evaluation of risks. Thus the minister would become party to every case before the appeal division. Is it because he recently lost certain cases that the minister now wants to give himself new powers?

Moreover, under clause 14 of Bill C–44, the government wants to give the minister the right to appeal to the appeal division any decision made by an adjudicator. The current act provides for the minister to appeal only in two specific cases, when a person was found admissible or not deportable. None of the arguments presented by the government as to why the act should be amended to allow the minister to interfere with the decisions made by the adjudicator has convinced us.

The government is interfering with the whole process. There does not seem to be any more limit on the type of appeal the minister may launch against a decision made by an adjudicator. This is another blatant example of the minister interfering with and taking over the appeal division operations.

Let us make sure that the wishes expressed last year by the minister, and with which we totally agree, are respected. Let us minimize political interference in the immigration process. It is in the spirit and for that purpose that the official opposition has moved these amendments. Let the IRB Appeal Division do its job and keep the minister and bureaucrats out of this quasi–judicial process, which still needs to be improved.

• (1325)

For all these reasons, clause 13 and 15 should be eliminated and replaced by sections 70 and 77 of Bill C–86, now in force.

[*English*]

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, again very briefly, we oppose these amendments.

As I said before this bill is unenforceable. The specifics of this bill have been roundly criticized by all witnesses before the standing committee, albeit from different philosophical points of view. The direction the bill takes, that is to toughen up immigration law to protect Canadians and to make the department of immigration more accountable is acceptable to my party. In fact my party has pushed for changes in this direction. However, this bill as written will not result in real change. It will only result in an increased backlog with no additional enforcement staff. The intent is there but the means are lacking.

The Bloc amendment would remove the intent of the bill. That we cannot support.

My party is opposed to these amendments.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, two motions are trying to do two different things. I will take them one at a time.

The toughest decision with respect to Bill C–44 was to try to respond as best we could as a government to public concern. In trying to size it up correctly the public is very much in favour of newcomers coming to this country and joining in the building of this very exciting place called Canada. That has been part of our country's history and should remain part of the nation building exercise for many years to come.

The public has concern when there is no sense of balance. An overwhelming number of people come here as immigrants and refugees and play things by the book. They contribute. They sacrifice. They bleed just like anybody else. Then there are the few who come to Canada with very different intentions. They break the law in a serious way and then flaunt it through the system. That is what irks Canadians.

As the minister and a member of Parliament and as a Canadian, what I heard the public request was to try to have a proper context and balance. In that way we could address those who seriously and flagrantly abuse the system and make it worse for those who come to this country and respect the law. Regrettably because perceptions cut very deeply sometimes everyone is unfairly put in the same boat.

We try to zero in on the problem. It is difficult for any law to try to distinguish that. The bill deals with those individuals who have committed a crime punishable by 10 years or more and who also, I underline the word also, receive a certificate that they are deemed to be a public danger according to the four general categories of serious violence, sexual assault, weapons charges, and drugs. Those individuals and not others will not be given the opportunity of appealing their deportation to the immigration appeal division on humanitarian and compassionate grounds. It was the decision that those individuals, that narrow class, not be given the opportunity of going to the immigration appeal division but instead to make a written request for a written decision by officials in my department.

• (1330)

I hear what the Bloc and other members have said. When an immigration appeal division makes a decision on one of these individuals to stay the deportation or simply to overrule the deportation and it causes some consternation among the public, I wear the problem. If I were to tell the immigration appeal division what to do, members on the opposite side would be screaming for my resignation as they did for weeks on end respecting the CRTC. They have suggested that there needs to be an arm's length independence from our quasi–judicial boards. I concur with that.

In the end we are caught in the middle as public policy makers. We are blamed for decisions we did not take and we would be blamed if we sought to interfere in decisions.

The government and I chose to signal that category of individuals. They would no longer have the right on humanitarian and compassionate grounds before the immigration appeal division but would have the opportunity on a written decision with the department. They may appeal it to the Federal Court as in all cases.

Some people are suggesting that I will not only be wearing it but will be owning the problem. As a public policy maker and given the public feeling there was a need for greater consistency in decision making and a greater sense of accountability for decision making. I am prepared to take the risk of being seen to be owning the problem if it renders a more efficient system, there is a check and balance, the legislation is pinpointed to those who seriously commit criminal acts in the country, and there is a fair balance between the compassion and the generosity of Canada to invite newcomers to have a second lease on life.

There are those who seriously undermine our laws and are not citizens of the country of Canada. This country and this government do not preclude people from becoming citizens. We are a progressive country. After three years an individual can become a member of the most prestigious club the world over. It is called the Canadian family. For the narrow category that have tipped the scales there needs to be a price and a cost. That is what we are doing in clause 13 of Bill C–44.

The second motion that the Bloc suggests is that the government should not be able to appeal a decision of an immigration appeal division to turn a deportation order into a departure notice.

Let me explain why I believe the government should be able to appeal. It is not to politically intervene as my friend in the Bloc suggested. In a number of cases where the department has sought to deport a serious criminal the immigration appeal division has changed it from a deportation to a departure notice. There is a big difference between the two. Under a departure notice individuals would have to leave the country but are entitled to return. Under a deportation order persons are deported and cannot come into the country unless they have prior written consent from the minister.

Bill C–44 would allow a senior immigration officer, if a person was deported and returns without written permission, rather than going through an inquiry that can sometimes be lengthy—

Mr. White (Fraser Valley West): Like Mendoza.

Mr. Marchi: Correct. The bill would allow the senior immigration officer to turn that person around at the border without an inquiry. It is common sense. If we accept that someone cannot return unless they have permission after deportation and they come to the border without permission, why should we have an inquiry? Clearly it has already been determined. This would make it more efficient.

If an immigration appeal division disagrees and moves it from a deportation to a departure, why should a minister or the crown not say they respect the decision or it is right to make that decision but because of the seriousness of the crime perpetrated they would like to appeal the removal notice from a departure to a deportation? Deportation gives Canada the right to protect itself from such individuals.

• (1335)

It is not with the view of trying to be politically involved or intervening. It would simply be a right of any country to protect itself from those it deems to be a danger to the public and a notice may be switched from deportation to departure based on some consideration that is outweighed by the nature of the offence. That is the reason it is balanced, fair and measured.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, this question was discussed at length in the Standing Committee on Citizenship and Immigration, and practically all the organizations voiced their opposition to politicizing the refugee status determination process and transferring the IRB's jurisdiction,

and more particularly that of its appeal division, to a politician, a minister.

There was unanimity among the lawyers who appeared before the committee to oppose the transfer of jurisdiction from a quasi–judicial organization to the executive, the political authority. I would like to mention some the organizations who came before the committee: the Canadian council of refugees, the refugees lawyers association, the Canadian bar association, the Immigration and Refugee Board. They were all against this transfer of jurisdiction from the IRB to the minister. I should also mention Amnesty International, the Quebec association of immigration lawyers, the Canadian labour congress, the Canadian ethnocultural council, the national action committee on the status of women, and the interchurch committee for refugees.

We proposed this motion mostly because we are against the cancellation by Bill C–44 of the right to appeal for equity reasons. The right to appeal in immigration matters dates back only to 1952. The Immigration Act of 1952 established a limited judicial appeal system managed by the Immigration Appeal Board.

In 1967, a piece of legislation formally instituted the Immigration Appeal Board as an independent tribunal in charge of hearing appeals filed on grounds involving questions of law or fact or mixed law and fact, by individuals under an expulsion order. In 1973, the right of appeal was restricted to permanent residents, visa holders and individuals claiming refugee status or Canadian citizenship.

Since 1989, refugee status determination is under the jurisdiction of the IRB, an independent quasi–judicial body. The Appeal Division of the IRB replaced the Immigration Appeal Board. We can see that, since 1952, immigration ministers and officials of that department have tended more and more to leave such matters to an increasingly quasi–judicial body.

However, Bill C–44, and particularly clause 4, goes against that legislative trend which started in 1952. A court of appeal must be able to rule on issues of law, fact, or both and equity, and I emphasize equity, towards refugees, visa holders, permanent residents and sponsors.

• (1340)

Clause 13 of Bill C–44 amends section 70 of the Immigration Act and deprives the appeal division of the IRB of the power to stay, for reasons of fairness, the execution of a deportation order, or to quash that decision in the case of crimes punishable by a term of imprisonment of ten years or more.

I take this opportunity to tell the minister why we wanted to exclude permanent residents who have lived in Canada for at least ten years. It is because such a provision also exists in Australia and in France. Therefore, we would not be the first country to do so.

The deportation decisions made by immigration officers, as opposed to an independent tribunal, may be technically flawed. For example, they may be flawed because of procedural technicalities, insufficient evidence, inconsistency or lack of accountability. Right now, the Appeal Division of the IRB is an appropriate and fair tool to dispose of an appeal on a deportation order, or to deny a sponsorship application.

I share the views expressed on page five of the excellent submission presented to the Standing Committee on Citizenship and Immigration by the National Immigration Law Section of the Canadian Bar Association, where it says: "The appeal division looks at errors in law and at all the circumstances of a case to determine if there exist reasons based on fairness. A mere examination to look for any error in law is not sufficient. The appellant and the minister are both represented. Oral as well as documentary evidence is presented before a public forum and is subject to cross–examination. The decision is then made by an independent tribunal and subject to judicial control. With the changes proposed in Bill C–44, it is the minister or an immigration officer who will make a discretionary and subjective examination. It will not be possible to review any factual error".

I would prefer to have the decision to send a person back to his or her country of origin, thus putting his or her life in danger, made by a tribunal after due process: presentation of evidence, cross–examination and oral arguments. Very often, we are confronted with complex questions of fact or law. Immigration officers responsible for the application of the legislation often do not have the resources, the training or the mandate to determine whether or not the expulsion of a permanent resident is justified.

Further on, the national section on immigration law of the Canadian Bar Association says: "One of the main advantages of an independent tribunal is that it guarantees that difficult decisions in expulsion matters are not made by politicians. What the minister is proposing in his statement is a unit, responsible to his office, which would review expulsion measures. Political decisions are unpredictable, inconsistent and dangerous. For all interested parties, access to the minister or his representative can become a major and unfair factor".

For these reasons, I support Motions Nos. 15, 16 and 17.

• (1345)

[*English*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 15. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76.1(8), a recorded division on the proposed motion stands deferred.

Is the House ready for the question on Motion No. 16?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76.1(8) a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 17. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76.1(8) a recorded division on the proposed motion stands deferred.

Motion No. 20 will be debated and voted on separately.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ) moved:

Motion No. 20

That Bill C–44 be amended by deleting Clause 18.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the amendment put forward by the Bloc Quebecois involves deleting clause 18 from Bill C–44. Without this clause, section 24 of the Customs Act would not be amended.

Section 24 authorizes mail, documents or anything that may serve to establish the identity of a person to be intercepted. It is proposed to give immigration officers the power to seize and search parcels and documents suspected of being used fraudulently. We think that such provisions probably contravene the Canadian Charter of Human Rights. The Bloc Quebecois amendment is to prevent the government from being taken to court over this.

We also question another aspect of this clause in Bill C–44, and that is the introduction of reverse onus. In our judicial system, the accused is initially presumed innocent, at least that is how it has been so far. But the mail seizure provisions reverse the burden of proof. Also, there is no indication of the basis on which seizure will be decided and the nature of the mail determined.

How will customs officers determine the contents of packages before they are opened? What will tell them that a given mailing is highly likely to contain illegal documents? We think that such procedures will be impossible to justify legally.

Therefore, clause 18 may pave the way for abuse. Opening mail without the consent of the recipients goes against the most elementary of fundamental rights. In a society that recognizes the rule of law, you do not tamper with mail, to the best of my knowledge. Moreover, Bill C–44 is not overly transparent, by not mentioning the circumstances under which the mail, parcels or documents will be opened.

• (1350)

Regardless of our concerns, Mr. Speaker, clause 18 will be difficult to enforce.

Customs officers who testified on Bill C–44 before the Standing Committee on Citizenship and Immigration told us that, over the past decade, 259 federal mail inspection centres had been eliminated. There are only six remaining to do this kind of work. Efforts to increase the powers and workload of employees who are already unable to meet the demand are probably wasted. The government should make sure that existing provisions are enforced and allocate adequate resources to this end.

For the sake of compliance with the charter of rights, respect for fundamental rights and practical reasons as well, I encourage hon. members to vote for Motion No. 5 put forward by the Bloc Quebecois.

[*English*]

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, this bill attempts to give customs officers more legal power to seize fraudulent documents. We applaud that intent. However, customs has informed us that this measure is totally unenforceable and therefore without greater enforcement ability the intent of the bill is moot.

That is why we oppose the bill. It would give Canadians a false sense of security. However, this amendment by the Bloc would gut even the good intent of the bill. The Bloc and Reform view immigration law from an entirely different philosophical perspective. Its amendment reflects its philosophy. Our opposition to the amendment reflects ours.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, clause 18 of Bill C–44 would make it a punishable offence for individuals in this country either to import or export fraudulent documentation.

If members recall, some months back there was an article in the *Globe and Mail* that pointed to a decision by the Department of Justice. The decision suggested that the immigration and customs officials who were opening mail to confiscate fraudulent documents and also to try to stop the rings that smuggled documents did not have authority under the law to do so.

This clause in the bill gives legitimacy under the full weight of the law to our customs and immigration officers to confiscate mail that is carrying fraudulent documentation such as drivers licences, visa applications and passports. Many have been intercepted, particularly in Toronto and Montreal.

We are suggesting in this clause that it be a punishable offence. Currently the offence would carry a penalty of two years and/or a fine of $5,000. We feel this should be a deterrent to making those fraudulent documents available.

Fraudulent documentation is a problem not only in Canada but worldwide. It is almost scary to see the kind of high technological reproduction of our documents, so we should be sending the right message.

Reform Party members keep having this debate. They support the intent of the bill but do not believe it is enforceable. It is like saying that you do not accept amendments to the Criminal Code because you do not think the police can enforce them.

The police, of which my hon. friend was a member, have too few police officers in all the major cities. Does it mean that if we bring in a Criminal Code amendment that is good in intent and shows sound judgment, that this party and this ex–police officer will turn it down because while the intent is good it is somehow unenforceable, whether by police officers, customs, or immigration? Does this allow the Reform Party to say "we are opposed?" What kind of a silly argument is that for an ex–police officer to make?

• (1355)

If the intent is good, then we have to make sure of the enforceability of the legislation. Anyone in this country that tries to circumvent the Immigration Act through the fraudulent production or importation of documents should be punished.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, under clause 18 of Bill C–44, customs officers may search international parcels to look for documents and pass on these documents to an immigration officer for examination.

Immigration officers may destroy documents when they have sufficient reason to believe that such a measure is necessary, if these documents were obtained or used irregularly and if such a measure is necessary to prevent irregular or fraudulent use. The officer may give the documents back to the legitimate owners, keep the documents until they are sent back or destroy them.

According to these amendments, refugee claimants trying to obtain identification papers from relatives or authorities abroad may have their documents seized or perhaps destroyed.

Furthermore, the official is not required to notify the owner that these documents have been seized. This situation is very disturbing. Mail is sacred and inviolable in almost all countries.

The Speaker: The member will have a little time left after Oral Question Period. It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members, pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

CANADIAN BROADCASTING CORPORATION

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, each Sunday at 5.30 p.m. a program called "Street Sense" is broadcast on CBC television. "Street Sense" is aimed at young consumers. It is hip and funny and its humour both informs and entertains its adolescent audience on environmental and economic issues.

Because this program is about consumers it is commercial free. It operates on a limited $1 million budget, obtained not

from the CBC but from companies, associations, foundations and government programs such as "Stay In School".

The awards that "Street Sense" have received are too numerous to list but are both national and international. "Street Sense" is where the future of public broadcasting must go. It is financially viable but in a format that is unavailable through commercial enterprise. Both enterprise and young consumers benefit.

Once again, that is "Street Sense" Sundays at 5.30 p.m. Bravo to the CBC.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, the Axworthy reform, widely denounced by women's groups and by the Bloc Quebecois, is now raising deep concerns within the Liberal caucus itself.

The hon. member for Brant and chair of the national Liberal caucus fears that the cuts planned by her Minister of Human Resources Development will undermine the gains made by women's groups after long and hard social struggles.

The members of the Bloc Quebecois also believe that the reform of social programs, like the public service cuts being contemplated, must take into account the need to reverse years of discrimination against women.

The minister will have to be quite prudent in the days to come, not only because his reform is more and more widely discredited but also because his initiatives are now stirring up opposition among the Liberal troops themselves.

* * *

[*English*]

VIOLENCE AGAINST WOMEN

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, violence against women is a sordid reality and not a fantasy confined to the pages of a tabloid newspaper or a pornographic magazine.

The history of violence against women is like Pandora's box that when opened reveals the ugliest side of the human condition. We would expect by now that complacency would be shattered amidst the tales of horror and abuse that so many women have lived to tell. What of those who have died?

• (1400)

It was inexcusable for the justice minister who professes to champion women to artfully dodge my question of last Friday. We do not need the minister's platitudes nor his citing of statistics to tell us we have a problem of domestic violence in this country.

What specific plan does this government have to get at the root causes of violence against women? Until gender roles are eliminated, until the family no longer serves as that convenient arena for male violence, until wife beating is no longer a logical extension of male domination and until our justice system demonstrates its capacity for justice, we do not have a blueprint for change.

Intellectual and political anguish have become meaningless. Violence against women exists. We have endured enough.

* * *

THE ENVIRONMENT

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, the necessity of continuing to educate Canadians, especially our youth, on environmental issues is crucial, not only for Canada's future but for the future of the entire planet. Together we must continue to think globally but act locally to address the many challenges we face in preserving the delicate balance of our environment.

At Cole Harbour High School in my riding of Dartmouth I recently had the privilege of unveiling along with the Minister of the Environment a new environmental information system established on the Internet by this government. It is called the Green Lane on the Information Highway and makes Canada's wealth of information on the environment available not only to Canadians but indeed to the entire world.

I ask this House to join with me in commending the Minister of the Environment and her department for taking the important step of establishing this green lane on the information highway. I look forward to the new ideas and creativity in dealing with environmental issues that will no doubt result from this global sharing of important environmental information.

* * *

NOVA SCOTIA HIGHLANDERS

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, recently I had the distinct honour of attending a Regimental Dining In, hosted by the 1st and 2nd battalions of the Nova Scotia Highlanders, held at "E" company in the beautiful new Armouries in Pictou, Nova Scotia. It was an evening of exquisite dining in the formal military tradition with a Salute to the Haggis.

These battalions have been part of our Canadian fighting forces since their amalgamation in October of 1871. Their service to Queen and country extends from the South African War of 1899 to World Wars I and II and their battles read as a who's who of Canadian history.

I salute Lieutenant–Colonel Chisholm and the men of these two brave battalions of Nova Scotia Highlanders for keeping pride in their calling and faith in their nation. "Siol Na Fear Fearail".

* * *

WORLD HUMAN RIGHTS DAY

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, on Saturday, December 10, we celebrated World Human Rights Day and the 46th anniversary of the Universal Declaration of Human Rights which was adopted by the United Nations in 1948. The declaration establishes basic international standards for fundamental human rights and freedoms guaranteeing the dignity and worth of every human being.

[*Translation*]

Several Canadians, including Professor John Humphrey of McGill, helped draft the Universal Declaration of Human Rights, which has had a tremendous influence on international law and the behaviour of states. In Canada in particular, our Charter of Rights and Freedoms confirms many of the basic principles set forth in the declaration.

The United Nations Year for Tolerance as well as the International Decade for Indigenous Peoples will also begin in 1995.

[*English*]

Human rights affect the daily lives of everyone. We can all take pride that our government is committed to the promotion and protection of human rights and freedoms of all people in Canada and around the world.

* * *

[*Translation*]

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, in a report submitted to the Solicitor General in December 1993 the Security Intelligence Review Committee denounced the Canadian Security Intelligence Service for overstepping its mandate.

According to the committee, investigations by the ETT group within CSIS are not for threats to Canada's security as defined in the Act but rather the security of private companies. In so doing, CSIS is duplicating what Canadian police forces do.

Once again, parliamentarians are the last to be informed. It is only thanks to the Access to Information Act that we learned about the committee's serious allegations. The Solicitor General must promise to submit all the review committee's reports to the parliamentary subcommittee on national security and start right now by making public the report on the Grant Bristow affair.

[*English*]

CANADIAN NATIONAL RAILWAYS

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, On December 9, I made a presentation before the Liberal task force on the Canadian National Railways system. It was a waste of my time.

• (1405)

It appears all too obvious that this task force is determined to make this the fourth Liberal government to bail CN out of its crippling financial debt load with the taxpayers' money. I watched in disgust as one witness was manipulated into saying what the task force wanted to hear. When CP Rail testified it turned into an inquisition.

The government should be neither subsidizing nor closing crown corporations. It should be privatizing them. Government involvement should be reduced to a regulatory role.

Major changes are needed for the survival of Canada's rail system. Free enterprise can do a far better job of determining the right steps to take than political or bureaucratic decision making ever can.

The decision to get out of the airport business is the right one. Why does the Liberal government not have the foresight to see that it is the right move for railways as well?

* * *

THOMAS MCKAIG

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, I applaud the outstanding volunteer efforts of Mr. Thomas McKaig of Bramalea—Gore—Malton.

Working with CESO, the Canadian volunteer advisers to business, Mr. Thomas McKaig travelled to Panama to conduct a pre–feasibility study for a non–profit association contemplating a world cargo distribution centre.

Mr. McKaig's study will serve as a springboard for feasibility studies to follow for this world class facility.

* * *

GREENING OF THE HILL

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, I rise today in this House to pay tribute to the Greening of the Hill office. Its extraordinary efforts have been recognized with the Canadian Environmental Achievement Award.

The Greening of the Hill office has proved that environmental initiatives can have economic benefits. The Greening of the Hill office has saved the Canadian taxpayer over $1 million. If we expect business and industry to move toward sustainability then

the Government of Canada must show leadership and put its federal House in order.

Once again, I applaud the efforts of the Greening of the Hill office and encourage it to continue its exceptional work.

* * *

[*Translation*]

PERSONAL INCOME TAX

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, what would you say about a major simplification of our federal and provincial legislation on personal income tax? Instead of continuing to increase the number of deductions, credits and tax breaks, there would be only one universal basic exemption, which would be considerably larger. This exemption would only vary on the basis of the number of children or dependants, age, health and possibly charitable donations.

The result of this operation, taxable income, would be taxed at a considerably lower uniform rate, which would be the same for all taxpayers without exception. This is called a single tax. Its time has come.

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SUMMIT OF THE AMERICAS

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, at the Summit of the Americas held in Miami, the three trade partners currently in NAFTA invited Chile to join. Even though the negotiations will only start in May, preparatory work will begin as early as January. We in the official opposition welcome and applaud this initiative taken by the NAFTA partners.

Besides the above mentioned negotiations, the 34 countries at the Summit of the Americas agreed to begin negotiations on hemisphere–wide free trade with a target date of 2005, and NAFTA will eventually be part of this broader agreement.

Given such openness, we are convinced that Quebec, as one of the most fervent proponents of free trade on the American continent, will be warmly welcome by the trading nations when it becomes sovereign. But for now, on behalf of the official opposition, let me say Bienvenido al Chile.

* * *

[*English*]

THE CABINET

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, rumours abound that the Prime Minister is going to shuffle his cabinet.

I can understand why the heritage minister must change with the CBC problems and the CRTC scandal. I can understand why the health ministry needs a new transfusion because of poor policy and tainted blood. Even the fisheries portfolio needs a change because of east and west coast fisheries boondoggles. When is the change going to come in the immigration department? We have the Schelew affair, José Salinas Mendoza bilking Canadians in a system of injustice, IRB patronage appointments, policy indecisions and a department left in tatters.

Mr. Prime Minister, some friendly advice, change the coach when your immigration team is in last place.

* * *

• (1410)

TRADE

Hon. Audrey McLaughlin (Yukon, (NDP): Mr. Speaker, the Prime Minister entertained the Miami summit of the Americas last week by calling the three NAFTA countries the three amigos. It comes as no surprise to New Democrats that NAFTA should be compared to a farce made in the United States.

If the Prime Minister really thinks that the NAFTA and any future hemispheric trade agreements should be based on friendship, why does he not extend our friendship to those in genuine need of it?

The Prime Minister could have spoken out at the summit against the illegal American embargo against Cuba which continues to devastate Cuban society but he did not. He could urge the Mexican government to address the grave social inequities in Chiapas rather than threaten military reprisals against the dispossessed but he has not. He could put human rights, labour and environmental standards front and centre of Canadian trade policy but he has not.

Social, labour and environmental agreements must be integral to any trade agreement. It is time for Canada to take a leadership role and to ensure that trade is about improving the lives of people more than improving the profits for international capitalists.

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FILIPINO CANADIANS

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, the popular TV show "Frasier" recently carried a joke with the punch line "For an additional $5,000 you can get a brand–new wife from the Philippines".

This comment has enraged thousands of Filipino Canadians. The painful echo of this contemptuous remark will resonate loud and long, long after the canned laughter has faded away. By maligning an ethnic group, by exploiting women and by refusing to make amends, the NBC network has shown an utter lack of sensitivity.

There is no humour in racism. There is no humour in sexism. There is no humour in degrading any human being for profit. The comment offends common decency. It offends Canadians who do not suffer bigotry willingly, who cannot allow a laugh to be gained at the expense of an entire community, at the expense of an entire people.

Apologies are indeed in order.

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ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, in recent weeks the Atlantic Canada Opportunities Agency has come under attack from members of the Reform Party as being nothing more than a boondoggle. Nothing could be further from the truth.

ACOA provides valuable support to small business communities in places like Prince Edward Island. If ACOA were not there the unemployment rate in the region would be much higher.

We are not opposed to changing the way the agency operates. Last week the minister responsible for ACOA announced a more co–operative approach in assisting small business. Grants are out and interprovincial teamwork is in.

If you believe this rhetoric, Mr. Speaker, you would think that all ACOA money was flushed down the toilet. Nothing could be further from the truth.

As the member of Parliament for Hillsborough, I look forward to the new spirit of regional development in Atlantic Canada. The minister responsible for ACOA knows Atlantic Canada well and he knows that economic growth in Prince Edward Island will help all Canadians.

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TRANSPORT

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, since the Liberal government took office strange things have been happening in my riding of Saint John.

The new air traffic control tower that was built two years ago by the PC government was closed by this government and by the Department of Transport this year. The new VIA train station was built last year by the PC government. This government has closed the terminal and is terminating full VIA service on Thursday. As well the government has drastically cut back the hours of the Saint John weather office.

I guess I have a question for the Minister of Transport: Could the Minister of Transport please explain why his cuts have been focused on the largest industrial based city in the province of New Brunswick which has a nuclear power plant, the largest privately owned oil refinery there is in Canada, plus the frigate program and so on? Why has the minister not distributed cuts equally to Fredericton and Moncton, and not just Saint John?

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GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, Robert Kierstead, the head coach of the Canadian Olympic pistol team has told my office that contrary to what the justice minister told this House, the .22 calibre handgun with a barrel length under 105 millimetres and the .32 calibre handgun are used in world cup competition. According to Mr. Kierstead, the banning of these handguns will end competitive shooting programs in Canada.

• (1415)

Mr. Kierstead said in a letter to the justice minister and I quote: "Either this is an oversight due to your unfamiliarity with firearms or it is a devious betrayal of Canada's legitimate high performance olympic shooting competitors".

The minister's justification for banning handguns with barrel lengths under 105 millimetres because they lack accuracy is refuted by the medals won by Canadian competitors as well as by the fact that Canadian police officers use these short barrelled handguns in the line of duty.

This clearly illustrates that adequate consultations did not take place and indicates a preconceived agenda on the part of the justice minister.

ORAL QUESTION PERIOD

[*Translation*]

TAXATION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Auditor General has warned the Minister of Finance against raising taxes since this would encourage even more Canadians to resort to the underground economy. The Auditor General said that he felt present tax revenues could be improved without raising taxes.

Does the Minister of Finance agree he could improve the government's tax revenues without raising taxes, as suggested by the Auditor General, if he would only concentrate on collecting taxes owed instead of inventing new taxes?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we realize that every year we can improve further on the way we collect taxes. That is why the Minister of National Revenue has done what he did this year. I can assure you that the harvest, if I may put it that way, has definitely improved. That being said, I am sure that the hon. member—

The Speaker: Order, order. Let us not forget the Chair.

Mr. Martin (LaSalle—Émard): Of course, Mr. Speaker.

Perhaps I may also say to the hon. member that I am sure he has no objection to making our tax system much fairer than it is today.

Mr. Michel Gauthier (Roberval, BQ): Certainly, Mr. Speaker. May I remind the Minister of Finance that the hon. member for Saint–Hyacinthe has for some time reminded him of the need for injecting more fairness into the tax system? Unfortunately the Minister of Finance has always turned a deaf ear, so I am delighted to hear what he said just now.

My supplementary question for the Minister of Finance is this: Would he agree that a tax increase for all taxpayers, as recommended by his colleagues on the finance committee, would merely accelerate the growth of the underground economy, in addition to being a complete reversal of the commitments made by the Prime Minister during the last election campaign?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the finance committee suggested that, considering the lag between spending cuts and their actual impact on the deficit, if necessary we might consider other taxes. The committee told us that the tax hike they were concerned about most was an increase in interest rates. And I must say I think they are right.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, does the Minister of Finance agree that the best way to get rid of the underground economy would be to stop taxing the middle class to the hilt, eliminate tax inequities—something we have been talking about for the past year—and introduce a more effective tax collection system, so that all taxpayers will pay their fair share and, in fact, pay what they owe the government?

[*English*]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the absolute necessity of building greater fairness and equity into our tax system and making sure that all Canadians are confident that the burden is being shared fairly is something this government has not only spoken about, but was also installed in the last budget more than in any other previous budget.

• (1420)

We filled in more loopholes in the last budget. We attacked the tax system in a way that will make it fairer. In fact the results are already being seen. Our corporate revenues are up higher than they have been in a long time.

This party takes a back seat to no one in its desire to build fairness and equity into the system. What I fail to understand is why the opposition consistently refuses to join us in that effort.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, in addition to recommending an eventual tax increase for all taxpayers, the Liberal members are proposing new taxes which would directly hit the middle class. For example, they suggest imposing a new annual tax of $500 million on gas, while also leaving open the possibility of taxing group insurance benefits, RRSPs and retirement pensions.

Will the Minister of Finance pledge to reject the recommendations made by the Liberal members of the finance committee to impose a new tax on gasoline and to eventually tax RRSPs and group insurance benefits?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I find it very hard to understand the position of the Bloc Quebecois and its finance critic, since they had the opportunity to submit a constructive report and to make suggestions, not just nice speeches, but suggestions to really help us get rid of this plague called the deficit.

Instead of rising in the House to tell us about their own report and make suggestions, Bloc Quebecois members can only attack the government and, I must say, they do a poor job of that too.

We will solve the problem, but I invite the hon. member to participate in a joint effort. Deficit reduction should not be subject to partisan attacks: it should be a common goal for everyone.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I realize that the Minister of Finance does not always read the documents he receives. We have been making recommendations to him for a year now and, just recently, when he appeared before the finance committee, we made ten recommendations which have the advantage of not targeting the middle class or the poor. That is why he will not implement them.

Canadians and Quebecers will soon have to decide whether to invest in RRSPs. This is a serious issue involving billions of dollars.

For that reason, I ask the Minister of Finance to be clear and serious and to rule out, once and for all, taxing RRSPs. As I said, there are billions of dollars involved and this is a very serious matter.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I have said time and again that these questions would be answered when I table the budget. This is not really the time to preclude consultation. I want to ask the hon. member, like I did on Friday, if he supports the suggestion made at his first press conference by the economic

thinker for the separatist movement, Mr. Richard Le Hir, to the effect that, to eliminate the deficit, we should shut down VIA Rail and make cuts in old age pensions. That is the suggestion made by the great economic thinker for the separatist movement.

So I ask the member: Does he support that position?

Some hon. members: Hear, hear.

* * *

[*English*]

IMMIGRATION AND REFUGEE BOARD

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, a little over a month ago the minister of immigration did the honourable thing and called a judicial inquiry into the activities of Michael Schelew, the vice–chair of the Immigration and Refugee Board.

Serious accusations of intimidation and artificially inflating refugee acceptance rates had been levelled at Schelew. The minister said an inquiry would dispel any notion that his department wanted to cover the matter up. On the day the inquiry was to begin it was abruptly cancelled. We learned that Mr. Schelew was given $100,000 in exchange for his resignation.

Mr. Schelew may be gone but the problems with the IRB remain. Will the minister order an immediate public review of the entire Immigration and Refugee Board?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it is absurd to suggest that the government has anything to cover up or hide.

• (1425)

Looking back at the process, I received a number of complaints. I gave those complaints to the chairperson of the board. The board recommended a course of action, namely an inquiry. The government, after thoughtful consideration of both the chairperson's and Mr. Schelew's response, suggested an inquiry which was started. Subsequent to the calling of that inquiry, Mr. Schelew tendered his resignation. It was the opinion of the Federal Court judge that the inquiry was moot and I accept his recommendation.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Canadians should be appalled at the way this government does business.

The minister appoints a good friend to the IRB who is then the subject of some very serious allegations. The minister orders a judicial inquiry into his friend's actions, citing concerns about the integrity of the IRB and the public's perception of a cover up. Suddenly the minister's headache disappears, at a cost to the taxpayer of $100,000.

Does the minister not think that the whole Schelew affair has seriously damaged the credibility of the IRB? Did he know beforehand about the $100,000 given to Schelew upon his dismissal?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it is very unfair to characterize Mr. Schelew or anybody else as a crony of the government. That is simply not the case. The whole question of the inquiry was simply to the alleged conduct of one individual.

I have said to this Chamber and publicly that there is the agency review, which is the review of government–wide commissions and agencies. Reforms will be reported early in the new year. Also, the IRB will be responding to the Hathaway report which it commissioned. I will be meeting with the chairperson of the board this week to discuss a number of issues and to consider any other possible measures.

In so far as the settlement is concerned, I was never personally involved with settlements, nor should any ministers concern themselves about settlements. The settlement was done by the appropriate officials. I am told it was in line with settlements for other public servants. The settlement package is less than one year's salary for Mr. Schelew. That was not conducted by me. I was involved with the inquiry and the inquiry exclusively.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the parliamentary secretary certainly knew all about the settlement.

Mr. Schelew did not operate in a vacuum. He could not have caused such an increase in refugee acceptance rates without the assistance of other Immigration and Refugee Board members. The Canadian acceptance rate for refugee claimants is now at an astronomical 70 per cent. One man could not have created this wave them through attitude all by himself.

I ask again, will the minister in the interests of preserving the integrity and legitimacy of the Canadian refugee determination system hold a public review of the Immigration and Refugee Board?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, with reference to the first part of the question, I only found out the details of the settlement on Friday of last week. That was the day the judge suggested the inquiry should not proceed.

With respect to the IRB, I do not believe the party across the way is concerned about building up this institution, but we are on this side of the House. It would be grossly unfair for the hon. member and his party to suggest that because of the alleged conduct of one individual the entire institution should be undercut or undermined. I said that reforms to the institution will be coming in the early part of next year as part of the agency and program review which is being conducted by the government.

[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

It would appear that, after refusing for three weeks, the minister has finally decided to act upon the request made by the mayor of Saint–Jean, and send officials to negotiate with the Quebec government and municipal authorities on the basis of the mayor's proposal. This proposal allows for a gradual and more civilized closure of the college in Saint–Jean.

• (1430)

Can the minister confirm that he has agreed to send officials to Saint–Jean to negotiate, this week, a binding agreement with Quebec on the basis of Mayor Smereka's proposal?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I myself met with the mayor of Saint–Jean to discuss this issue. My office has been in contact with him on several occasions. It is true that, on Saturday, we came to the conclusion that it would be useful to resume negotiations, since the chances were very good to finally conclude the negotiations on item 6 of the July 19 agreement, in order to make it possible for the college in Saint–Jean to keep operating as a civilian university.

Unfortunately, I learned just a few hours ago that, during a press conference, the Quebec minister, Ms. Beaudoin, who presumably was apprised of the letter faxed to her on Friday and of my press release, chose to misrepresent quite a few things.

In view of Ms. Beaudoin's position, I am no longer so sure that we can reach an agreement.

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, how can the minister justify having procrastinated for so long, and how can he justify procrastinating in following through with the proposal made by the mayor of Saint–Jean, while faculty members and their families have been living with a great deal of uncertainty for the last few months and must make a decision in the coming days on their transfer to Kingston?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, in the last few months, I put great effort into trying to reach an agreement that would keep the college in Saint–Jean open and allow the community to benefit economically from its operation.

On July 19, we reached an agreement that would have done just that. The Quebec government consistently refused to implement it. At last, thanks to the co–operation of the mayor of Saint–Jean, we finally succeeded in putting together a series of proposals which will or could lead to an agreement that would keep the Collège de Saint–Jean open as a civilian university.

But once again, Minister Beaudoin's bad faith has jeopardized the agreement we could have reached.

* * *

[*English*]

IMMIGRATION AND REFUGEE BOARD

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, one thing is obvious to Canadians with regard to the Schelew affair: the matter has been closed. We have no answers and it has cost us another $100,000.

The facts of the matter are clear. To avoid any sense of avoiding the issue to have been brought before this cancelled inquiry there needs to be a full explanation by the minister.

Will the minister clear up any misunderstanding or lack of transparency in the matter by implementing a full public inquiry and including a full examination of the IRB and its executive?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, Reform Party members would not recognize facts if they tripped over them.

The facts are very clear. An inquiry was called pursuant to section 63 of the Immigration Act with a reference to look into the alleged conduct of an individual. The board continues to work and discharges a very important mandate. It was the recommendation of the judge leading the inquiry, not the government, that the inquiry be stopped.

That does not mean to say the status quo of any board, commission or institution should be static and stay unchanged. I say again that reforms to institutions have already been part of the agency review for months. That review will be reporting early next year. The Hathaway commission has ushered in changes.

It is absolutely unfair for that party to try to discredit an entire institution that is working well with public servants who are doing a laudable job.

• (1435)

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I thank the Minister of Citizenship and Immigration for moving a small step forward from his previous position.

To continue with my questioning on the same matter, the Minister of Citizenship and Immigration has talked about

transparency and about accountability. They are all things we are calling for. He says he wants the refugee determination system to work as well as it can, and I applaud this.

But will the minister put his money where his mouth is and change the refugee determination system so it is truly accountable and truly transparent?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, in terms of trying to build up an institution and trying to make the system work, we have not had one constructive recommendation in over a year from that party.

All it is interested in is trying to exploit a situation that, granted, was not easy for the IRB. Again I say it would have been completely unfair to tarnish every member of the IRB and tarnish the entire institution with the same wide brush.

I have said we are interested in reforming the institution and it will be done. I invite and welcome any constructive advice or recommendation that may flow from that side rather than simply trying to cloak all the discussion in inquiries or royal commissions.

The Speaker: I appeal to members once again to make their questions and answers shorter.

* * *

[*Translation*]

LOW LEVEL FLIGHTS

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of National Defence. The Department of National Defence proposes to invest over $68.5 million to build new facilities at the base in Goose Bay so that the number of low level flights can increase from the current 8,000 to over 18,000. Yet, there is no new firm contract with participating NATO countries to justify such an investment.

How can the minister be planning to authorize such additional spending to increase the number of flights when he knows full well that the U.S. withdrew from this Canadian agreement in 1991 and that Germany signed an agreement for such flights with New Mexico last May?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, as the hon. member knows, the whole issue of low level flying in Labrador is subject to environmental assessment panel hearings that have been ongoing. It should bring down its conclusions shortly.

Once we receive the recommendations of that panel the Department of National Defence will know whether or not it will be able to continue with agreements with our allies for low level flying and whether or not any subsequent infrastructure should be added.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, speaking of this environmental study, how can the minister still contemplate spending $68.5 million on this project based on an environmental study whose process is biased and which is being boycotted by the Innu, Naskapi, Attikamek and Montagnais?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the study in question took eight years. It cost $11 million. It was the seminal work that was done showing the impact of low level flying on algae, on fauna and on individuals.

It is a landmark study. That study is being examined by the environmental assessment panel. Certain groups chose not to participate in those hearings. That is their choice. In fact the Government of Quebec chose not to participate in those hearings. That is its choice.

We have a process. It is being followed. When the panel reports we will assess its recommendations and adjust our policy accordingly.

* * *

IMMIGRATION AND REFUGEE BOARD

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, when the refugee acceptance rate skyrocketed and questions were asked about the vice–chairman, the minister managed to dodge the bullet.

The minister appoints board members and he appointed more refugee lawyers, advocates and special interest groups than ever before. He is in charge.

When will the minister accept his responsibility and hold a public judicial inquiry into the Immigration and Refugee Board?

• (1440)

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the government appointed exemplary individuals to serve on the IRB.

The member wants to have a general, open season inquiry on what? Neither the government nor the minister gives direction on what is appropriate or not appropriate in terms of adjudication. We have not given any advice nor threshold levels on what should be adjudicated. That is the job of this independent quasi–judicial tribunal.

This individual is trying to imply that somehow the government sets the tone for adjudication. That clearly is not the case because that is not the business of government in the face of a quasi–judicial body.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the Schelew affair has tainted the refugee determination process in Canada. How can Canadians be confident in the workings of the

IRB when the minister not only refuses to accept his responsibility but will not even allow a judicial inquiry to root out the wrongdoing?

Why is the Minister of Citizenship and Immigration reluctant to face the music and accept responsibility for the mess he helped to create?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it is very obvious the member does not know the first thing about the IRB or how it operates.

It is painfully obvious they are not concerned about the IRB, the institution. They are not concerned about Canada's position vis–a–vis international commitments. This is the same party that wants to do away with the IRB and therefore break its international obligation. That is the position of his party.

That is not the position of the government party. It is not the position of decent, average Canadians across the country. The board is a good institution that will be made better.

* * *

[*Translation*]

THE DISABLED

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

The whole world recently took note of the proclamation by the UN of the International Day for the Disabled. Among the worst problems faced by the disabled are the difficulty of integrating into the work environment and employment equity.

I ask the minister: What concrete measures did his government take to promote the integration of the disabled into both the public and the private sectors?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the member is kind enough to stay in the House at three o'clock he will see exactly what the government intends to do when it tables its new legislation on employment equity.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Although that was not very substantial, Mr. Speaker, I will ask a supplementary question.

In his annual report, the Chief Commissioner of the Canadian Human Rights Commission, Max Yalden, said that the overall representation of the disabled in the federal administration is much lower than the estimated availability rate.

How does the government intend to eventually respect its own employment equity standards for the disabled? Please answer the question.

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the government has a program for helping disabled people to be able to adapt to work stations in the public service.

We are altering those work stations to help people. We want to attract more people not because of their disabilities but because a lot of them have a great amount of ability and a great deal to offer in the public service.

* * *

EDUCATION

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development.

Some Canadians, including some students, some universities and now the Government of Ontario, are against proposals to eliminate cash transfers to the provinces.

In the face of these objections how does the minister justify his position?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as we said in the green book our primary objective is to ensure that we have enhanced and added financing for post–secondary education over a long term that will sustain and improve post–secondary education.

For example, in the case of Ontario we know full well that over the next decade an additional billion dollars will be transferred to the province of Ontario through increased tax points. We want to ensure that money is fully distributed to students and universities to make sure that the provinces live up to their responsibility of ensuring that the federal transfers are effectively distributed and managed.

• (1445)

Beyond that, we have put in the green book a series of proposals which would add an additional $10 billion of financing for higher education so we could have new laboratories, new libraries, and new spaces for students.

Our purpose is to ensure that we have a better system. It does not help to have fear mongering by certain provincial ministers against this political process.

* * *

GOVERNMENT APPOINTMENTS

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the Liberal gravy train is still chugging along. Its latest stop is at the Rene Cousineau station. The former Liberal MP

and close personal friend of the Prime Minister has just been appointed to the Canadian Pension Commission. For this privilege Canadian taxpayers will now be paying Mr. Cousineau a paltry $86,000 a year.

My question is for the Deputy Prime Minister. Is this what the Prime Minister meant when he said that all his appointments would be based on merit alone? If so, how is Liberal patronage any different from Tory patronage?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister has taken the point of view on appointments that the first priority should be quality candidates. We believe this is a quality appointment.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the Prime Minister has said Canadians should look at the quality of people that he has appointed. The one thing all his patronage appointments do have in common is their close personal friendship with the Prime Minister.

LeBlanc, Gauthier, Bryden, Nixon, Carstairs, Wright, Longstaffe and Stevenson. Mr. Speaker, it is like a roll call for Santa's reindeer. In fact Rudolph would probably get a patronage appointment because of his red nose.

My supplementary question is for the Deputy Prime Minister. How is the continued use of partisan patronage compatible with the red book promise of integrity in government?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I will pick out one of those appointments because the member lists several. I do not think there is a single person in the House who would disagree that probably one of the finest Canadians ever to serve in this Parliament was Jean–Robert Gauthier.

If he has an accusation to make about quality he should stand and make the accusation because we will stand behind people like Jean–Robert Gauthier. We will stand behind people like Rene Cousineau.

If the member has an accusation to make stand in the House and have the guts to make the accusation. Just because—

Some hon. members: Oh, oh.

The Speaker: We all want to hear the question and the answer and the Deputy Prime Minister is answering. She has the floor.

Ms. Copps: Mr. Speaker, my only point is if the member suggested that somehow being a supporter of the Liberal Party prevents someone from being eligible for a governor in council appointment, obviously about 60 per cent of the population of Canada would be ineligible.

[*Translation*]

OGILVIE MILLS

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

We have learned that, in the ongoing labour dispute at Ogilvie Mills, the company has used the services of a federal employment centre in Montreal to hire scabs to replace the strikers.

Since the minister maintains that he is committed to defending the interests of Ogilvie workers, can he confirm that Ogilvie Mills was able to hire scabs through a Canada Employment Centre for which he is responsible?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would be quite open to having the specific information documented and shown to me by the hon. member.

As he knows, I have met with the workers from Ogilvie. We have had a major discussion about the problems we face. As a result of those meetings I was able to secure a hearing before the Canada Labour Relations Board which has now established arbitration or mediation proceedings. Both parties are now coming together to see how they can resolve their differences and how they can look at the broader issue of labour laws.

We are responding to the needs of the situation. If the hon. member has further documentation that something is being done in our employment centres that should not be done, I will look into it and I will correct it.

• (1450)

[*Translation*]

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, I want to reassure the minister. I will give him proof right after Oral Question Period.

Does the minister not agree that his failure to act and the role played by this Canada Employment Centre in the hiring of scabs only aggravate a labour dispute that has gone on too long already?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): No, Mr. Speaker. We met with the workers and as a result of representations by them and their union representatives we were were able to secure a proper hearing through the Canada Labour Relations Board. Mediation is now taking place with both parties. That is one way of solving the problem.

Some larger issues are involved. We are quite sensitive and aware of those issues. We are looking at a broad based review of the recommendations dealing with the Canada Labour Code and we hope to be able to present those to the House of Commons in the near future.

We are very concerned that we have fair and equitable labour relations and we think the federal government should take the lead in ensuring that.

* * *

TRADE

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, my question is for the Deputy Prime Minister.

In Miami this weekend the Prime Minister embraced free trade with Chile and applauded the extension of free trade from the Arctic to Tierra del Fuego.

The international trade minister is reported to have said that Chile does not have to sign the side deals on labour and environment. There seems to be a contradiction between what the Prime Minister and his trade minister are saying on this issue. Canadians what to know who is speaking for the government.

Is the Prime Minister going to insist on the side deals or not?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the commitment is to take in the first instance the text of the agreement as the subject of the negotiation. Subsequently the side agreements on environment and labour could become an integral part of the negotiation. It is certainly our position that Chile would be expected to subscribe to the same rules as the three existing members of NAFTA.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I thank the minister for his answer.

My supplementary question is for the Deputy Prime Minister. Two years ago when the Prime Minister was speaking about NAFTA he said: "This crazy trade deal is a disaster for Canada". Now he appears to be a born again free trader.

How can the Prime Minister have any credibility in negotiating an extension to NAFTA when it comes from this kind of contradiction?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the very first policy statement of the Prime Minister when he became leader of our party was that he would vigorously pursue a hemispheric trade agreement and that is exactly what he is in the process of doing.

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BILL C–62

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, my question is for the President of the Treasury Board.

Can the President of the Treasury Board assure the House that the changes proposed in Bill C–62 will not apply to the Fisheries Act nor any other legislation which protects the environment?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the purpose of Bill C–62 is not to compromise on any of the protection to the environment that is provided in the acts of Parliament that have that purpose in mind.

It is to deal with inefficiencies in the regulations so that we can help a process that will create more jobs and more growth opportunities.

Thanks to the Minister of the Environment we have made it even clearer in the act that sustainable development is an objective to be met. With respect to the environmental protection issues and regulations thereto, it is up to each minister, and in this case the Minister of the Environment, as to which one should apply or should not apply.

I can assure the member that in consultations with the minister, the protection of the environment, the protection of health and safety of all Canadians are of paramount importance.

* * *

[*Translation*]

CANADA COUNCIL

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage. In the context of the budget cuts it is asked to make, the Canada Council is holding a phony three week consultation on its own mandate with concerned groups. The arts community is seriously questioning the legitimacy of the whole process. Background documents are provided at the last minute and questionnaires are simplistic and biased. In short, the artists refuse to support this process.

• (1455)

Does the minister recognize that the Council's consultation process is dubious and hasty? How can he justify that the arts community being dealt with in such a cavalier fashion?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, it is very hard for me to oppose consultations between the Canada Council and the artists. Our colleague would perhaps prefer longer and more complex consultations. But it is normal, I think, that the Canada Council develop a business plan and this is what it is doing in co–operation with the people and groups concerned.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, does the minister recognize that the strategic plan which the Canada Council will adopt following these phony consultations will have little credibility at best, since several organizations have simply boycotted this whole process they consider absolutely—frankly, where do these members think

they are? In a school yard? As I was saying, this whole process they consider absolutely illegitimate and botched?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, perhaps our colleague is also criticizing the Canada Council for having no school.

The council is doing what it can to get some co–operation. I hope it will get some, since it cannot develop a good business plan without comments from the public and the people it serves.

* * *

[*English*]

ROYAL ROADS MILITARY COLLEGE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, this is a question for the Minister of Intergovernmental Affairs.

In my riding personnel at Royal Roads military college have received their termination notices. At St. Jean, Quebec, the government offered a deal to postpone closure of CMR, are committed to making it a post–secondary institution.

Why is the government giving preferential treatment to CMR? Will the government give the same deal to postpone closure of Royal Roads as it has just given CMR?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, since the beginning we have offered exactly the same deal to Royal Roads as we have offered to the Collège militaire royal. We have made it a point to be absolutely fair in the agreements that we were negotiating; in fact, most of the clauses in the Royal Roads proposal are exactly the same as in the Quebec proposal.

The arrangement with Mayor Smereka, if it ever leads to a full implementation of the deal, is merely a process of implementation and in that process whatever is offered to Quebec will be offered to Royal Roads.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, fairness and equality are what this deal is about but are not occurring at Royal Roads.

If this is an example of regional fairness let us talk about it. The government is now making acceptance of a settlement package of the military base in Masset as a condition of its settlement of Royal Roads. They have nothing to do with each other.

Why is acceptance of the compensation package for Masset linked to the resolution of Royal Roads when no such example exists with CMR.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, in both cases the military colleges are being closed and in both cases there have been economic activity consequences as a result of the closures of bases. In the two cases the amount that is offered over five years is $25 million, of which $5 million is taken from the Department of National Defence in order to compensate for decreased military activity.

This has been a part of the Quebec deal. This is a part of the British Columbia deal. It is exactly the same deal on the same basis.

* * *

• (1500)

POST–SECONDARY EDUCATION

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the Prime Minister.

Some hon. members: Hear, hear.

An hon. member: Welcome home.

Mr. Charest: This cannot be the House of Commons, Mr. Speaker.

My question is for the Prime Minister or the person talking for the Prime Minister today. It concerns a statement made by the Minister of Human Resources Development in reaction to the protests of his colleague from Ontario on the issue of the cuts being proposed for post–secondary education.

The Minister of Human Resources Development is quoted as indicating that his anger in reaction to the position taken by the Government of Ontario could influence his thinking on changes to the Canada assistance plan.

What does one have to do with the other? Since when can a minister of the crown take it upon himself to wreak vengeance on a government because of a position it is taking on behalf of the people in a quite different file?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is too bad the member for Sherbrooke uses the rare occasion when he rises to his feet to repeat an allegation which has absolutely no substance.

Hon. Audrey McLaughlin (Yukon, (NDP): Mr. Speaker, my question is for the Minister of Human Resources Development who has introduced proposals to change funding to post–secondary education. He recently said, and I quote: "These wild allegations about closing universities and huge increases in tuition are simply scare mongering". However, in a submission to the Standing Committee on Human Resources Development,

the Association of Universities and Colleges predicted that tuition fees would double under these proposals.

I ask the minister to come clean with Canadians. Will he in his proposals and in his view increase tuition fees or not?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would like to point out to the hon. member as I said in a response to an earlier question that the federal transfer accounts today for over 50 per cent of the cost of higher education in this country. The province of Ontario over the next 10 years will gain well over $1 billion in additional revenue as a result of federal transfer payments. If one looks down the road, the actual amount going to Ontario in terms of those additional revenues exceeds what presently goes in the combination of tax transfers and direct transfers.

Therefore the real question is: Is the Government of Ontario prepared to fully transfer and turn over to higher education the full benefit of those federal transfers or does it have another reason and another agenda?

* * *

PRESENCE IN THE GALLERY

The Speaker: I wish to draw to members' attention the presence in the gallery of the Hon. Licia Kokocinski, MLC, Parliament of Victoria, Australia.

Some hon. members: Hear, hear.

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POINTS OF ORDER

QUESTION PERIOD

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, I have two points of order I want to bring to your attention.

The first point of order I wish to raise while the Minister of Human Resources Development is still around. It concerns his comments about my presence in the House of Commons, a very well known rule that I think you would want to have respected.

The Speaker: I of course will refer to the blues to be absolutely certain. However, it was my recollection that there was no mention about the hon. member being in the House. I believe the statement was that the hon. member was not on his feet, which has nothing to do with his being in the House. However, I will review the blues.

I take it this is the second point of order.

Mr. Charest: Mr. Speaker, I think it would be wise on our part to check the blues because I can assure you that my understanding of the exchange was quite clear.

• (1505)

Mr. Speaker, the other point of order I want to raise concerns the functioning of question period itself and the fact that I was not allowed to ask a supplementary question.

The Speaker: I am sure all hon. members will understand that there are times when the Chair, if you can say in its wisdom, for the better functioning of question period has single questions rather than double questions. This was one of those days.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I have the honour to table, in both official languages, the government's response to 11 petitions.

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EMPLOYMENT EQUITY ACT

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.) moved for leave to introduce Bill C–64, an act respecting employment equity.

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

The Acting Speaker (Mrs. Maheu): When shall the bill be read the second time?

Mr. Axworthy: Madam Speaker, I rise on a point of order. I wish to inform the House that it is my intention to propose this bill be referred to a committee before second reading pursuant to Standing Order 73(1).

As a result of the broad legislative scope this implies this reference before second reading will empower the committee to fulfil the provisions of section 13 of the Employment Equity Act. It also shows further innovation on the part of this government to turn over a bill after first reading to a committee so it can help in the actual drafting of the bill.

* * *

PETITIONS

GUN CONTROL

Hon. Charles Caccia (Davenport, Lib.): Madam Speaker, it is my intent to table petitions that have been collected across

metro Toronto by students in a number of schools following the incident at Brockton High a few weeks ago. Members will recall that led to the severe injury of two teachers.

In this petition the petitioners are calling upon Parliament to strengthen existing laws regarding guns, to implement longer and mandatory sentences for people convicted of crimes involving the use of guns and finally that the flow of illegal weapons coming into Canada be halted.

• (1510)

CANADIAN WHEAT BOARD

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, I have a number of petitions to bring forward today. The first one is in support of the Canadian Wheat Board and is signed by constituents of Souris—Moose Mountain.

GUN CONTROL

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, the second one is from a number of gun owners in my riding who have asked me to present a petition on their behalf.

POSTAL SUBSIDY

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, the third petition contains over 6,000 signatures from people right across Saskatchewan. They are concerned about the postal subsidy and the impact it will have on libraries right across Saskatchewan.

I am pleased to present these petitions.

HUMAN RIGHTS

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Madam Speaker, I have petitions from constituents who express concern regarding the inclusion of sexual orientation as a grounds of discrimination within the Canadian Human Rights Code.

I would like to clearly state for the record that I do not share their point of view but feel that I must present their petition to fulfil my obligation as a member of Parliament.

I have another petition which requests that Parliament amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation.

I would like to clearly and unequivocally state for the record that I strongly support this petition. The fundamental principle underlying the petition is to ensure that people are treated equally in Canada regardless of their sexual orientation. We should not tolerate discrimination in any form in Canadian society.

ASSISTED SUICIDE

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, I am pleased to table four petitions with the House today.

The first asks that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, the second petition requests that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

GUN CONTROL

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, the third petition asks Parliament not to enact any further gun control legislation, regulations or orders in council and that Parliament refuse to accept the anti–firearms proposals of the Minister of Justice. They insist that he bring forth legislation to convict and punish criminals rather than persecute the innocent.

JUSTICE

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Madam Speaker, I would like to present a petition from residents in my riding of Bruce—Grey. It calls upon Parliament to introduce legislation amending the Criminal Code of Canada so that intoxication cannot be raised as a general defence.

The petitioners request that Parliament recognize that the Supreme Court decision on the Daviault case is offensive and seriously jeopardizes the safety of Canadians by encouraging those accused of indictable or dual procedure criminal offences to raise drunkenness as an excuse for their behaviour.

The petition was organized and presented to me by three students, Percy Smith, Shirley Rands and Bertha Mank, in the law class of Mr. Peter Mussen.

ASSISTED SUICIDE

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Madam Speaker, I rise to present the following petition on behalf of my constituents of Capilano—Howe Sound.

The petitioners request that this House ensure the present provisions of the Criminal Code prohibiting doctor assisted suicide be enforced and that Parliament make no changes in support of euthanasia.

SENIOR CITIZENS

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, these petitioners are from all walks of life and of all ages. They point out that seniors have contributed and continue to contribute to the quality of life of Canadians.

There are growing numbers of seniors. Programs such as pensions and health care will experience additional growing

demand. Seniors need comfortable housing, social and community involvement as well as affordable medical care.

These petitioners ask that when governments consider changes to programs that they do not forget the contributions of seniors to our country and to our quality of life.

TOBACCO PRODUCTS

Hon. Audrey McLaughlin (Yukon, (NDP): Madam Speaker, I am pleased to present today thousands of signatures of Canadians from Quebec, Ontario, Alberta and British Columbia. These petitioners note that tobacco products are clearly linked to many forms of cancer, heart disease, and other serious diseases, that the use of tobacco products is directly responsible for some 38,000 premature deaths of Canadians annually and that tobacco can therefore rightly be termed a hazardous product.

• (1515)

Therefore the petitioners call upon Parliament to remove the exemption for tobacco under the Hazardous Products Act.

MINING

Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):

[*Editor's Note: Member spoke in Inuktitut.*]

(English)

Madam Speaker, pursuant to Standing Order 36 I am tabling today a petition signed by 420 people from the Northwest Territories, Yukon, British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, and Newfoundland.

The petitioners call upon Parliament to take action to increase employment in the mining sector, promote exploration, rebuild Canada's mineral reserves, sustain mining communities and keep mining in Canada.

HUMAN RIGHTS

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, I have petitions signed by many people from communities across the Ottawa Valley requesting that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

IMMIGRATION ACT

The House resumed consideration of Bill C–44, an act to amend the Immigration Act and the Cityzenship Act and to make a consequential amendment to the Customs Act, as reported (with amendment) from the committee; and of Motion No. 20.

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, before the Question Period, I was about to talk about the power given immigration officers to seize international mail.

I must add that Bill C–44 contains no provision that would allow someone to dispute the legality of any irregularly conducted seizure of goods. This section has been denounced by almost all organisations and persons who appeared before the committee.

On the other hand, clause 18 of Bill C–44 would permit the assumption that someone is guilty of intending to violate the law or regulations. It proposes a reverse burden of proof. In other words, evidence that someone has imported or exported documents that could serve some fraudulent purpose would be sufficient to prove the intent to violate the law and regulations, except if shown otherwise. Therefore, this clause goes clearly against the principle of the Charter of Rights and Freedoms which guarantees that any person charged with an offence has the right to be presumed innocent until proven guilty.

The legality of this clause must be questioned. Ultimately the Supreme Court will have to rule on the constitutionality of this disputed provision. This drastic clause paves the way to abuse. Opening the mail without the consent of the addressee is a violation of the most fundamental rights.

• (1520)

We must not forget that some refugees come to Canada with false papers. After all, these refugees are fleeing an unfair, dictatorial or cruel political system. If this clause came into effect, these refugees would be found guilty even before being admitted into the country. Moreover, we wonder if the minister has thought about the effectiveness of this provision, considering that, for instance, 259 mail inspection centres have been closed and the number of inspectors has been drastically reduced.

If the minister realized that he has only six inspection centres left for the whole of Canada, he would know that his proposal is ineffective. It seems to us that the minister would probably have been more hesitant to introduce this bill, and particularly this clause, if he had consulted with the organizations involved, namely Customs and Excise. Considering the lack of prelimi-

nary consultations, which was the case with Bill C–44, the minister could have got some information about the real and unfortunate situation mentioned by some witnesses from Customs and Excise, who came before the committee and complained about the lack of resources in that organization.

What we see instead is a clause reflecting an attitude which prevails throughout this bill, a bill that was written without any consultation and is only a response to political pressure. For all these reasons, I support Motion No. 20.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 20. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76(1)(8), the recorded division on the motion stands deferred.

[*Translation*]

Motions No. 21 and No. 22 are grouped for debate, but will be voted on separately.

Mr. Oswaldo Nunez (Bourassa, BQ) moved:

Motion No. 21

That Bill C–44, in Clause 19, be amended by replacing lines 36 to 38, on page 15, with the following:

"103. (1) On being satisfied that a notice of appearance or a summons has been served on any person, the Deputy Minister or a senior immigration officer may issue a warrant for the arrest and detention of the person where".

Motion No. 22

That Bill C–44, in Clause 19, be amended in the French version:

(*a*) by replacing line 41, on page, 15, with the following:

"sion aux termes du"; and

(*b*) by replacing line 3, on page, 16, with the following:

"publique ou qu'elle ne comparaîtra pas à l'interrogatoire, à l'enquête ou au prononcé de la décision, ou".

Mrs. Maud Debien (Laval East, BQ): Madam Speaker, we continue with the amendments to Bill C–44 proposed by the Bloc Quebecois.

• (1525)

The changes proposed to clause 19 of Bill C–44 by the official opposition have two objects. First, Motion No. 21 would add the words, and I quote: "On being satisfied that a notice of appearance or a summons has been served on any person"—

This addition is necessary if we want to make sure that a notice of appearance or a summons has been served before an arrest warrant is issued against an immigrant. The government must make sure that the person summoned knows that he or she will have to answer questions, appear or give evidence, before issuing an arrest warrant.

The amendment would require proof that a notice of appearance has been served before proceeding with the arrest. This might seem a bit hypothetical, but without it we might be faced with regrettable situations. For example, a permanent resident could be summoned for questioning as part of an investigation. There could be several reasons for not answering the summons: change of address, difficulties communicating with the people with whom he or she lives, or simply oversight by spouse or children.

Can we issue an arrest warrant for reasons that trivial? Did we think of all the possible consequences of an arrest which might not be warranted? Why not avoid all these unfortunate situations by amending the bill to make sure that the person summoned or asked to appear has indeed been notified to do so.

I believe that the other amendment to clause 19 of Bill C–44 will be unanimously approved by the members of this House. Basically, it seeks to align the French and the English versions of the bill.

Clause 19 of the French version does not mention the reasons why a person may not appear as a witness or for an inquiry or an examination. When comparing the French version with the English one, it becomes obvious that clause 19 is not subdivided the same way, since in English there are two subsections, (*a*) and (*b*), and none in French.

Moreover, words equivalent to "or proceeding in relation to the decision" do not appear in the French version. Our amendment seeks to specify the reason for the appearance. It would be very unfortunate indeed if these amendments were not adopted. It is important that the laws be the same for francophones and anglophones alike, and that they be as precise and well understood as possible, in both official languages.

[*English*]

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Madam Speaker, once again my intervention will be very brief. I believe that the intention of Motion No. 21 is to further reduce the intent of Bill C–44. The Reform Party members will oppose that intention.

With regard to Motion No. 22, I have never quite figured out what this is about. I will leave that to those who are going to square the French and the English on this translation.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Madam Speaker, I would like to respond first to Motion No. 21 which seeks to modify clause 19 of Bill C–44.

Clause 19 essentially authorizes the issuance of a warrant for the arrest of individuals who do not appear for determination before a senior immigration official.

• (1530)

The Bloc motion before us today would require that the person be served a summons to appear prior to the event. I would be opposed to it because the amendment would greatly restrict the ability to issue warrants for the arrest of persons who would constitute a danger to the public or perhaps a feeling, for good reason, among officials of my department that the individuals will not appear for a removal inquiry. Currently warrants are issued on the basis of objective criteria reviewable by the Federal Court. Indeed there is a check and balance within the system.

With the requirement in this clause we are trying to seek the assistance of other enforcement agencies, namely the police, through the issuance of a warrant. If we were to go along with the amendment proposed by the Bloc, it would mean that warrants could not be issued for individuals who might be dangerous to the country or may not appear as required under the law. If we cannot find the individual who may have gone underground, I cannot see logically how we could serve the individual with a proper summons anyway.

The clause is being amended to permit the warrant to be issued. We are not suggesting anything more than simply through the processing of a warrant seeking the assistance of other enforcement agencies and thereby helping Immigration Canada to have the individual who was to appear before the immigration official do so at once.

On the second amendment my comments are very similar to the member who spoke just a moment ago. I am not sure there is a difference between the French and the English text. If there is upon reflection by my officials, I certainly would not stand in the way of making sure that what the bill says in English is clearly congruent with what it says in our other official language, namely French.

I am afraid I do not have that information before me. There was confusion when the Bloc put forward its Motion No. 22 respecting the meaning of the amendment. Perhaps we will have an opportunity before we vote in the House at report stage to seek clarification of its second motion.

[*Translation*]

Mr. Nunez: Madam Speaker, I wish to take part in this debate.

The Acting Speaker (Mrs. Maheu): The hon. member already took part in the debate.

Mr. Nunez: Not on this motion. It was on the previous motion.

The Acting Speaker (Mrs. Maheu): Then I recognize the hon. member for Bourassa.

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, I will be brief. I do not understand why the Minister of Citizenship and Immigration, who is a a man of law, opposes that motion.

In any country, in any society, arrest warrants must be used with great caution. People's freedom is at stake. We want to make sure that certain basic precautions are taken before the execution of an arrest warrant, namely, we want the individual concerned to be advised in advance and him or her to receive a notice to appear before a warrant is issued.

As we all know, in every democratic society, a judge normally has the power to issue warrants for arrest when there is sufficiently convincing evidence or reasonable grounds to believe that a person has committed a crime. In the case of an obvious crime, a police officer is empowered to arrest a person, but this it is not the case here. We must be careful. We cannot give arbitrary powers to a government official who might abuse them.

• (1535)

As for the second motion, we checked the English and French versions of the text, and our research staff did too, and we found that there is a difference between the English and the French versions of this clause.

The Acting Speaker (Mrs. Maheu): I would remind the hon. member for Bourassa that, as the mover of the motion, he should have spoken first. I would ask that, from now on, those hon. members who move motions make their speech first.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), a recorded division on the motion stands deferred.

The next question is on Motion No. 22.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), a recorded division on the proposed motion stands deferred.

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.) moved:

Motion No. 24

That clause 20 Bill C–44 be amended by striking out lines 1 to 14 on page 16 and substituting the following:

1994, c.26, s. 35(F)

"20. Section 105 of the Act is replaced by the following:

Where person in institution

105. (1) Notwithstanding the *Corrections and Conditional Release Act*, the *Prisons and Reformatories Act* or any Act of a provincial legislature; where a warrant has been issued or an order has been made pursuant to subsection 103(1) or (3) with respect to any person who is incarcerated in any place of confinement pursuant to the order of any court or other body, the Deputy Minister may issue an order to the person in charge of the place directing that

(a) the person continue to be detained until the expiration of the sentence to which the person is subject or until the expiration of the sentence or term of confinement as reduced by the operation of any statute or other law or by an act of clemency; and

(b) the person be delivered, at the expiration of the sentence or term of confinement referred to in paragraph (a), to an immigration officer to be taken into custody.

Temporary absences

(2) Nothing in subsection (1) shall limit the authority of any person, pursuant to any Act referred to in that subsection, to grant an escorted temporary absence pursuant to any of those Acts."

He said: Madam Speaker, once again let me repeat my appreciation to both the Bloc and the Reform for having given unanimous consent to allow the government to offer this motion at report stage.

I will give a bit of background and explanation. The amendment is in reference to individuals serving time in our federal penitentiaries who are deportable, removable from our country upon completion of their time in prison.

Currently for whatever reason the individuals are considered for day parole or unescorted temporary absences. It was my feeling and that of my officials that somehow it lacks a great deal of common sense. If we think about the situation of individuals who will be deported upon completion of their sentences, why would we want to try to reintegrate them into Canadian society if they will be deported?

The reason I introduced it as an amendment at report stage is that when we came up with the proposal I obviously had to get approval from the departments of justice and solicitor general. While I was doing that Bill C–44 was introduced. Subsequent to my seeking approval both the Minister of Justice and the Solicitor General concurred that the amendment would make a great deal of sense. It is something I hope members on all sides can concur in.

• (1540)

Essentially we are speaking to individuals who will be deported because of the seriousness of their crime upon completion of their time in prison. Therefore this amendment would not permit such individuals to be considered for either day parole or unescorted temporary absences.

Not only does that speak to the fact that there is not going to be a need for integration into the Canadian community because of their deportations. It also limits the possibilities that upon day parole or unescorted release into the community even for a few hours those individuals may go underground or escape our authorities or officials of the Department of the Solicitor General. Consequently because of their past criminal acts they may be a danger to the general public.

Perhaps this bridges the gap between the Immigration Act, the Criminal Code and Solicitor General regulations. It is well intentioned and speaks to our regulations having the common sense they ought to have. I look forward to having the support of members of the House.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, this amendment was introduced at noon today. We did not have time to examine it in depth but we agree to this amendment.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

(Motion No. 24 agreed to.)

The Acting Speaker (Mrs. Maheu): The House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House.

Call in the members.

And the bells having rung:

Mr. Boudria: Madam Speaker, I ask that the divisions be deferred until tomorrow at 5.30 p.m.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(5)(a), I have been requested by the government whip to defer the divisions until a later time.

Accordingly, pursuant to Standing Order 45(5)(a), the divisions stand deferred until tomorrow at 5.30 p.m., at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

PICTOU LANDING INDIAN AGREEMENT ACT

Hon. Alfonso Gagliano (for Minister of Indian Affairs and Northern Development, Lib.) moved that Bill C–60, an act respecting an agreement between Her Majesty in right of Canada and the Pictou Landing Indian Band, be read the second time and referred to a committee.

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.):

[Editor's Note: Member spoke in Inuktitut.]

[*English*]

Madam Speaker, I rise to address the House on Bill C–60, the Pictou Landing Indian Band Agreement Act. The legislation is being introduced at this time to fulfil the commitments the Government of Canada has made to the Pictou Landing Micmac of Nova Scotia. This legislation will further reduce the potential for any new legal action related to the Boat Harbour issue against the Government of Canada.

• (1545)

Hon. members have seen for themselves that this is not a lengthy or a complex bill. Nevertheless Bill C–60 is important to more than 400 Pictou Landing Micmac and it deserves the consideration and support of hon. members on both sides of the House.

By way of background I would like to briefly outline the history behind the Pictou Landing settlement agreement so that my hon. colleagues can make an informed and responsible decision on Bill C–60.

In the mid–1960s the province of Nova Scotia entered into an agreement with Scott Maritimes Limited to open a pulp and paper mill at Abercrombie Point in Pictou Harbour. As part of that arrangement the province accepted responsibility for treating and disposing of the effluent generated by the mill.

The nearby Boat Harbour tidal estuary was chosen as the most economical site for the effluent treatment facility. All the land around Boat Harbour was expropriated by the Government of Nova Scotia with the exception of reserve lands belonging to the Pictou Landing Micmac.

Rather than expropriate these reserve lands, the provincial government acquired the First Nation's riparian rights through negotiations with the First Nation. It is worth noting that the First Nation was not enthusiastic about the project and the use of Boat Harbour as a holding pond and conduit for pulp mill effluent. It agreed only after intense lobbying by Nova Scotia officials.

After acquiring the First Nation's riparian rights, the province blocked the entrance of the estuary to create a 162–hectare lagoon. This included some 12 hectares of reserve lands that were flooded and lost to the First Nation.

At that time the province paid the Pictou Landing Micmac $60,000 to compensate for the permanent loss of fishing and hunting revenue and other benefits derived from the First Nations' use of Boat Harbour.

Unfortunately, environmental problems began to arise almost immediately after the treatment facility opened. Despite repeated requests by the First Nation, action taken by the province did not effectively correct the problems.

In 1982 the Pictou Landing Micmac submitted a specific claim to the Department of Indian Affairs and Northern Development. Four years later due to limited progress in negotiating the claim the First Nation filed suit against the Government of Canada for breach of fiduciary duty.

The government pursued an out of court settlement with the Pictou Landing Micmac. Through extensive consultation and co–operation, a fair and equitable settlement was reached. In a community wide referendum in July 1993, members of the First Nation voted 141 to 25 in favour of the agreement.

This agreement is a $35 million settlement which includes a $20 million compensation package. It breaks down as follows: $8 million were earmarked to be distributed among the members of the First Nation for individual compensation. Much of this

money has already been paid out; $9.725 million were placed in a continuing compensation fund to address special claims by members of the First Nation related to the Boat Harbour environmental problems; $2.275 million were allocated to support projects that will benefit the First Nation, including the building of a multi–purpose recreational centre and the establishment of a Pictou Landing economic development promotional package. These moneys are intended to compensate the members of the First Nation for general impacts associated with the Boat Harbour facility.

The remaining $15 million in the settlement has been directed into a community development trust fund that will enable members of the First Nation to relocate if necessary. This fund is being administered by the First Nation itself and will ensure that the First Nation and its members will be able to protect themselves from any future health effects from Boat Harbour.

The agreement also provides for programs to monitor the environmental and health effects of the Boat Harbour system. The First Nation is one of the main participants in the establishment and the ongoing implementation of these monitoring programs. In addition, although not a condition of the settlement, the federal government undertook to explore ways which might yield a solution to the environmental problem with respect to Boat Harbour.

• (1550)

Hon. members should be aware that this settlement agreement is self–implementing. In other words it does not require legislation to come into force.

I am pleased to inform the House that implementation of the agreement has been proceeding well. Most of the settlement funds have been transferred to the First Nation, giving it the means to develop and administer programs to improve conditions on reserve.

Although this agreement is self–implementing, at the request of the Pictou Landing Micmac, the government made a commitment to confirm two of the agreement's provisions through legislation. That is the purpose of Bill C–60.

Specifically, legislation is required to confirm that the settlement agreement is the sole source of compensation for claims related to Boat Harbour. This legislation ensures that any claims of members of the First Nation beyond those already settled by the payments to individuals can only be made against the $9.725 million continuing compensation fund. This is very important because it ensures that the settlement amount of $35 million is the full amount the federal government will pay related to the Boat Harbour claim.

In addition to releasing the Government of Canada from further claims by members of the First Nation, Bill C–60 also protects the First Nation against such claims by specifying that any such claims are to be directed to the compensation fund.

The second thing Bill C–60 will do is ensure that settlement funds are not Indian moneys as defined by the Indian Act. This again is important because it confirms that the First Nation and not the federal government has control of and responsibility for the moneys once they have been transferred. Trust funds managed by the Pictou Landing Micmac are currently holding those compensation dollars that have not been paid to individuals.

This provision of Bill C–60 actually accomplishes two goals. First, it meets the government's commitment to give the First Nation complete control over the settlement moneys as intended by the settlement agreement. At the same time it reduces the administrative responsibilities of the Department of Indian Affairs and Northern Development.

I want to assure hon. members that this legislation imposes no new responsibilities on the Government of Canada. It simply confirms and formalizes some elements of an agreement signed in July of 1993 that is already being implemented.

I also want to assure the House that Bill C–60 will have no impact with respect to the correction of environmental problems at Boat Harbour. The federal government continues to work actively with other parties and in particular the province of Nova Scotia and the First Nation to facilitate a solution to these problems.

As hon. members are no doubt aware the government is currently participating in discussions with Scott Maritimes Limited, the province of Nova Scotia, the Pictou Landing Micmac and other interested parties to identify possible solutions to the environmental problems at Boat Harbour. I am optimistic that this will lead to the development of an effective rehabilitation strategy.

Bill C–60 is essentially an administrative bill that fulfils two specific commitments requested by the First Nation and agreed to by the Government of Canada in the Pictou Landing settlement agreement of July 1993. As I mentioned at the outset it is not a complex or far reaching act. Nevertheless, hon. members should recognize that failure to proceed with the bill could impose obligations on the government down the road.

For example, without Bill C–60, the Government of Canada might be open to claims over and above the $35 million settlement figure. There will be no legally certain basis to prevent members of the First Nation from seeking additional compensation in the future.

Our failure to proceed with Bill C–60 might also mean that the First Nation could be liable for payments beyond the amounts it has received in the settlement. This would impose an unnecessary and perhaps unmanageable hardship on it.

Finally, if Bill C–60 does not become law, the government could ultimately become responsible for managing the settlement funds on behalf of the Pictou Landing Micmac. This would create a needless administrative burden and could lead to additional legal problems. It would also likely sour relations with the Pictou Landing Micmac as it would go against the spirit of the Boat Harbour final agreement and their desire to manage their own affairs.

For these reasons alone I urge my hon. colleagues to join me in supporting Bill C–60. I would remind them of the fundamental need for government to fulfil its outstanding commitments to First Nations, including the commitment to legislate these provisions of the Boat Harbour final agreement.

• (1555)

Hon. members are well aware of the government's intention to build a new partnership with aboriginal peoples based on trust, mutual respect and participation in decision making processes. Living up to our commitments is critical to the process of building a new relationship with aboriginal people that will take us into the next century. The House can contribute to that process by supporting this legislation.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Madam Speaker, I am pleased to speak to this bill on behalf of my party. I will tell you at the outset, however, that I am not about to congratulate the government. As far as advance notice of this bill is concerned, although I was told last Friday that the bill would not come before the House this session, I learned this morning on returning from my riding that it is on today's Order Paper.

I deplored this practice before when the Yukon bills were considered. I was very surprised to find a one foot thick pile of documents on my desk the day before second reading. I had to spend the whole night reading all these documents to try to prepare something acceptable for the next day.

As for advance notice, although this is the end of the session, the government should show some understanding, especially since these are far–reaching bills which we are often unable to discuss and criticize for lack of time. As I was saying earlier, I am not about to congratulate the government on the subject of advance notice.

I have no congratulations to offer either on the fact that this bill, like other bills affecting Natives, constantly refers to an agreement. The bill before us today is quite simple, as it contains only four clauses. There are short definitions and a significant clause 4, which is the heart of the bill. Naturally, clause 4 refers to an agreement that is not provided to us.

Again, our ability to comment is rather limited. It is difficult to make positive and constructive comments on an agreement that you have never seen. When we realized that the four clauses of this bill referred to a specific agreement, we had to move heaven and earth to put our hands on it. We finally got a copy of the agreement on Friday afternoon.

Having been told that Bill C–60 was not on the legislative menu, we did not set out to examine it immediately. So, we all had to scramble this morning. Again, I tell you, it is quite difficult to come up with constructive criticism when you have had just a few hours to go through an agreement 20 or so pages long and weigh the merits of it all.

I will nevertheless give you an overview of the historical development of the agreement underlying this bill. In 1986, the Pictou Landing band was on the verge of taking legal action against the federal crown. This action was predicated on the fact that, in 1965, an effluent treatment system had been built in Boat Harbour, Nova Scotia. Of course, it had been built on Indian land and authorities had simply forgotten to advise the Indians that there was going to be some building on their land. That is pretty well how things were done back in those days. As you can see, the native issues were far back in the government's priorities.

So, after repeated attempts to negotiate made over several years, the Indians finally said: "Negotiations are required. If the government refuses to negotiate, we will take legal action", which they did in 1986.

In 1992, the government was facing prosecution. It figured it would give negotiations a try. It then instructed its negotiators to meet with the band to consider the possibility of an out of court settlement. This settlement was reached out of court. To have it adopted democratically, it was put to a referendum in July 1993: 141 of 260 voted on the agreement, so they had a participation rate of roughly 60 per cent on the decision concerning the agreement as such. Of the 166 members who voted, 141 were in favour and 25 against.

• (1600)

Those opposed were motivated mainly by the high level of pollution on their reserve. I will come back to that shortly because we think that is the problem and it is the type of project which we can agree to refer to the Committee on Aboriginal Affairs, but there will certainly be many questions raised in that committee because I think that the environmental aspect gets very short shrift. We will have to see, with the First Nations, exactly what the settlement means, especially for the environment.

Of course, the agreement was signed following the referendum on July 20, 1993. Basically, the agreement relieves the Canadian government of any liability for past, present and

future effects of the treatment system. The government says that it will escape any liability by paying them $35 million.

My colleague just mentioned that these $35 million would not be subject to the Indian Act. So the native people, the Pictou Landing Indian Band, will be able to control the $35 million themselves. I think it is important to specify that this amount will be divided roughly in two. There is a $20–million compensation account for the band and the members, recognizing that their environment was damaged. The remaining $15 million will go into a compensation account if the band ever decides to move.

We are at the point where we say: We know that your environment is very polluted, so polluted in fact that we are putting $15 million at your disposal to move. Moving might be a solution, but what will happen to the costs and also to the environment which was polluted for years and which will probably remain in that state?

As I just mentioned, the government offered the possibility of avoiding future effects and risks. The amount of $15 million will be used to move people to adjacent lands and let the company, Scott, continue what it has been doing for nearly 30 years, that is to pollute the environment.

Issues of employment and pollution are also involved, to which I will come back later. When you read the bill, and particularly the agreement, it is obvious that the government wants to discharge itself of any responsibility. In fact, this is the basis of the agreement and of this bill designed to solve the problem for good, at least according to the government's vision and definitions.

In chapters 8 and 9 of the agreement, Canada agrees to look at ways to find solutions to environmental problems. What does that mean? It means that the government is committed to looking at solutions. The government is not saying that it will solve the issue, only that it will look at solutions. The federal government also pledges to take any reasonable action to fight harmful effects, but it does not have any future responsibility. This sounds wishful thinking, while the danger to the environment remains ever present.

As I mentioned earlier, the agreement also includes waivers. These illustrate the contradictions of the legislation before us. Indeed, we are told that this issue which concerns a First Nation is settled by handing out money, but the government does not care about what happens to the environment. This is significant when you read the following excerpt:

> The Pictou Landing Micmac and members of the Pictou Landing Micmac who receive amounts from the proceeds of the settlement, including amounts arising from the trust fund, hereby waive any present or future cause of action against Canada based on flooding, breaches of property rights or nuisances arising from activities including the construction, operating, repairing, maintenance or cleaning of the Boat Harbour effluent treatment system or on any failure to meet related fiduciary, legal or other obligations.

• (1605)

There is a particular risk involved, and I am referring to this release from fiduciary responsibility. It may create a precedent, because the government must realize in certain cases in Canada, it has a fiduciary relationship with the First Nations. So if the First Nations are involved in litigation, they can say to the federal government: you are our fiduciary, so you have to defend us.

Though the government does not say so in so many words, it may be very tempting to consider that although there are major problems in a number of first nations and it has a fiduciary responsibility, that does not matter because in a few years, in this case 30 years, the federal government or the Crown will deal with that by giving substantial amounts of money, and the rest will be history.

This is not the first time we have seen this happen. It was also apparent in the case of Split Lake. Is this the way to deal with the Crown's fiduciary responsibility to aboriginal peoples; to say we will pay later? We should try to deal with the problems up front and not wait 20 or 30 years and then finally decide to give $10, $15 or $20 million more to settle the matter. We are concerned about this release from fiduciary responsibility.

Now, regarding transfer. The band transfers to Canada any cause for present or future legal actions against the Scott Paper Company, which is the polluter with respect to the agreement, Scott Maritime Ltd., its executives, managers, employees, respective representatives, Nova Scotia, and any other party whose actions caused or contributed to flooding, breaches of property rights or nuisances in any way resulting from building, operating, repairing, maintaining or cleaning the effluent treatment system in Boat Harbour.

Here again, we see very clearly that the native people, who had reasons to sue, are giving up and the government is taking over. It is not sure that the government, for its part, will sue the company to have it clean up the damage done to the environment.

But furthermore the agreement covers the future. I say that the band will waive any cause for legal action based on flooding, breaches of property rights or nuisances in any way resulting from any future building activities. This is quite straightforward. It means that should the company decide to expand and pollute even more, the government says that the native people have no right to sue, since it is now its responsibility. We really wonder about the government's environmental responsabilities in this issue.

Furthermore, this agreement is littered with expressions such as "reasonably established". I will give you a few examples. In our view, this agreement is full of holes and allows the government to escape all its responsibilities. Expressions like "reason-

ably established", "reasonable", "if at all possible", "reasonable measures" lead us to conclude that the government will have the upper hand in everything. This agreement gives it all the opportunities it wants to avoid doing anything to protect the environment.

On the other hand, I understand the government's position on jobs. Indeed, this company employs people in Nova Scotia, and I know that the unemployment rate in that province is well above the Canadian average. There are huge unemployment problems there and the government is afraid to close down this company for polluting the environment. At the present time, we must assume that the government is more concerned about preserving jobs; one must wonder how much it will cost to clean up these rivers. We are told that 86,000 gallons a day are being dumped in the river.

• (1610)

We can speculate on the final cost of all this environmental mis–management. We are very critical of the way the bill and the agreement approach the environmental issue and the aboriginal issue.

The government is not very convincing. It promises to consider ways to solve the environmental problem and to take reasonable steps to counter any harmful effects.

The implementation of programs reasonably necessary— again, we consider that all this reasonable stuff is a smokescreen behind which the government is hiding to escape its environmental responsibilities. To escape its responsibilities, the government is hiding behind a bill and an agreement.

A committee will be set up. Canada will appoint a six–member committee to oversee the implementation of a control program. There again, this six–member committee is simply an advisory committee. Aboriginal people will be represented on the committee, but the legislation gives it absolutely no power to say things like: Here are the control measures to put in place. Here is the way we want to solve the environmental question. No, there is nothing like that in the agreement. It is an advisory committee which will recommend some procedures to the government but, in the end, the government can simply forget to implement its recommendations.

The committee does not have any power and although the First Nations will be represented, we have no guarantee that they will always have 50 per cent of the members. Nonetheless pollution has crossed their land for more than 30 years. For 30 years, the government refused to see the problem and now they give almost no control to aboriginal people. It gives them only the opportunity to move out, without dealing with the basic pollution problem.

Coming back to the bill, it has, as I said, only four clauses, the first two being the short title and a definition of the agreement and who it applies to. But the main problem rests with clause 4, because it refers to a specific chapter of the agreement, as I mentioned earlier. We were not provided with this agreement and just recently received a copy. We took a look at its scope and, like in any agreement, one section refers to another and you end up having to examine three or four sections all relating to the relevance of clause 4.

In addition, on examination, a summary one I must say, as I indicated earlier, we found that 10 per cent of those concerned did not give up their lawsuits, for the simple reason that they could not be reached.

The bill before us today concerns the entire community. Ninety per cent of the community abandoned any potential claim, but there is this 10 per cent of uncertainty. What will this 10 per cent do? Will these people decide to opt out of the agreement and legislation and say: "Look, we never withdrew our cases. We want to sue Scott. We are totally against entrusting Canada with taking action on our behalf, with the risk of being unsatisfied with the ensuing settlement?"

These are the kinds of questions we are asking ourselves at this point. The Department of Indian Affairs will certainly be questioned on this bill when it is considered by the standing committee.

Therefore, our position is a little shaky. Of course, the Natives, the Micmacs of Pictou Landing went ahead and held a referendum. We have to respect that. They held a referendum and there was an 85 per cent vote for the agreement, even though the participation rate was 60 per cent. We still have very serious questions, not on the amounts at stake— because we know deep down that these people will be able to manage the money—, but on the future of that nation if they decide to stay there. And if they decide to move, what will the government's environmental commitments be?

• (1615)

Will the province of Nova Scotia take over and address the environmental issue? We simply do not know, as there is nothing specific in the agreement itself. So we finally decided to support the bill for reference to the committee on aboriginal affairs, although we will certainly be back here at third reading after asking many questions at the committee stage. We will support the bill for now but with all the reservations called for.

[*English*]

Mr. John Duncan (North Island—Powell River, Ref.): Madam Speaker, it is a pleasure and I must say a bit of a habit to rise today to participate in a legislative debate on a bill that is a fait accompli.

Bill C–60, the Pictou Landing Indian band agreement, is another instance where statutory authority is being sought after an agreement has been signed and where the majority of compensation has already been paid out.

This debate will remind members of Bills C–33 and C–34 as well as Bill C–55. These were the Yukon agreements. Alas, we are getting good at passing legislation on behalf of the former Indian affairs minister and his department.

The circumstances behind Bill C–60 would suggest that this is a final step in the settlement of a specific claim brought by the Pictou Landing Indian band. In recent years there has been a great many such deals. In fact, information provided by the department indicates that by 1994, 632 such claims were received, 203 of the claims were settled and the rest are either in the process of settlement or have been rejected. About 20 of these claims have led to litigation of which the Pictou claim appears to be one.

Up to the end of 1992 the federal government had contributed $169 million and the provinces $39 million to specific claims, not including treaty land entitlement settlements which are a particular and separate type of settlement claim.

Specific claims arise from the alleged non–fulfilment by government of existing treaty or other obligations or claims arising from the alleged improper administration of reserve lands by the department. Bill C–60 would appear to address this latter category in that the Pictou band claimed breach of fiduciary duty because the department failed to obtain the band's informed consent before transferring riparian rights to the province of Nova Scotia on the Boat Harbour tidal estuary, which I presume is adjacent to the Pictou band reserve.

This transfer permitted the province of Nova Scotia to use Boat Harbour as a facility to treat effluent from the kraft paper mill owned by Scott Maritimes Limited.

The Pictou band commenced a lawsuit against the department of Indian affairs but a negotiated settlement gave rise to an out of court agreement to settle. This agreement was signed by the parties on July 20 of last year. The agreement provides for $35 million in compensation. As of April of this year, some $28 million of those moneys have been paid out and the remaining $7 million will be paid out by April of 1995. Twenty million of this money is to go into a trust fund to pay out claims to the Pictou band and to band members individually. The remaining $15 million of the total is to pay for band members to relocate "should it become necessary".

Allow me to look at these payouts more specifically. The cash settlements will be divided for purposes of compensation and mitigation as follows: $2,275,000 for band compensation and developments; $15 million for community development; $8 million for individual compensation, and $9.725 million for continuing compensation for a total of $35 million. As I stated earlier, $28 million of this total has already been paid out. There are two terms of the agreement that require parliamentary approval. The first is to provide that any claims coming forward from band members beyond those settled by the settlement payments to individuals can only be made from the $9.725 million portion which is part of the $20 million individual compensation and development fund.

• (1620)

The second requirement requiring parliamentary approval is to make certain that the settlement moneys are not Indian moneys within the meaning of the Indian Act. One might ask why this legislation was not tabled earlier to authorize moneys paid already not to be Indian moneys under the Indian Act.

I note from the agreement that the eligible use of moneys from the band compensation and development account are intended to provide and improve individual family and community self–reliance and include the following: resource rehabilitation and development to support increased viability of traditional and commercial resource pursuits and other resource harvesting; cultural and social support and development initiatives; business, economic and employment development initiatives; community infrastructure and housing development and reasonable, technical, legal and management activities in respect of the pursuit of band goals and objectives, including the implementation of this agreement.

Only time will tell how effectively these resources are used and if again $20 million of taxpayers money will help deliver the Pictou band to self–sufficiency. I understand there are currently 425 band members, 304 of whom live on reserve.

The individual compensation account breaks down as follows: $3 million has been distributed to all members of the band including those resident or non–resident before the effluent treatment system began which was away back, I believe in the 1960s. Another $5 million will be distributed among individual band members who were residents of the reserve for any period of time since Boat Harbour started to be used for treatment of effluent. This would suggest that in the latter case, the individual band member settlement amount would be approximately $16,500 per individual.

I wonder if this will improve the self–sufficiency of these individual Pictou band members. I sincerely hope it has had a positive impact and creates a new level of existence for these people.

This agreement has been a fait accompli for a year and a half, as I said before. The bill before us asks us to ratify two specific aspects of the deal which I would suggest is a couple of hundred pages long and excludes at least 10 other sections of the agreement. There are some basic questions to be asked that beg better understanding.

There is no way for parliamentarians to know whether the department officials succeeded in negotiating a deal in the best interests of Canada or not. It is an act of faith on our part to believe that this is the best possible deal for Canada. As I said, it is a done deal. It is a specific claim, meaning that it is specific to the particular circumstances of the case, unlike a comprehensive claim that may set a precedent for other situations. It is a one time deal with strict compensatory parameters.

• (1625)

There is a series of questions that arise as a consequence of this agreement and subsequently Bill C–60. One issue that comes immediately to mind is why we are here at all today. Usually specific claims do not require special legislation. Why is this agreement different?

In the agreement it states that the department failed to obtain informed consent in the 1960s before proceeding with this project. Did the department just move unilaterally or did it at least get some kind of consent? It seems rather draconian to just move ahead on such a clearly obvious breach of rights.

Turning to the terms of the lawsuit I cannot help but ask how much the band asked for and felt it was entitled to. With this concern comes the obvious question of why the lawsuit did not go to trial.

The province of Nova Scotia and Scott Maritimes Limited obviously benefited and continue to benefit from using Boat Harbour. Perhaps these two parties should pay part of the compensation awarded to the band. Why should they walk away and have the Canadian taxpayer pay the full shot?

This brings me full circle to my concern regarding the best possible deal. It has always intrigued me how we come up with these compensatory figures. I look forward to our review of Bill C–60 at committee stage. Perhaps some of my questions could have been answered in a briefing which the department kindly offered. Unfortunately, schedules and time precluded this much valued courtesy last week.

Mr. Geoff Regan (Halifax West, Lib.): Madam Speaker, I rise today to address the House on Bill C–60, the Pictou Landing Indian Band Agreement Act. I am pleased today to join my colleague, the Minister of Indian Affairs and Northern Development, in urging hon. members to give this bill quick passage through the House.

Boat Harbour has been a black eye on the face of Nova Scotia for a long time. The effluent from the Scott Maritimes pulp and paper mill at Pictou has created a situation where there is chlorine, furans and dioxins in Boat Harbour to an incredible extent.

This legislation is not about solving the dispute here. It is about fulfilling the government's commitments which it made in agreeing to settle the claim. My hon. friend from the Reform Party has asked why it did not go to trial. The fact of the matter is the vast majority of lawsuits in this country do not go to trial. They are settled before trial because the parties set out their claims, look at the facts, negotiate back and forth and try to avoid the tremendous cost which could have occurred in addition to the cost of settling, the tremendous cost of years of litigation.

It seems that when the government had an opportunity to settle the matter it was wise to do so. In that situation when we are hiring legal counsel to represent us in a case, we seek their advice on what the amounts might be that the party suing might be able to achieve or receive in a court case and follow that advice.

For all intents and purposes the provisions of Bill C–60 have already been accepted and are being implemented. However, the government undertook that it would introduce legislation in this House to fulfil certain commitments requested by the Pictou Landing Micmac Band and which were agreed to by the Government of Canada in the Pictou Landing settlement agreement.

This does not mean this bill is not important. In fact, it is extremely important for three reasons. First, it will ensure the claims by members of the First Nations in that area related to the effluent treatment system at Boat Harbour are to be directed to a fund established for that purpose under the agreement. As a result, it will protect both the Government of Canada and the Pictou Landing Indian band from further claims by individuals, a very important point.

• (1630)

Second, Bill C–60 will ensure the Pictou Landing Micmac band is responsible for managing the settlement moneys that have been and will be paid out by the federal government.

Third, this bill will confirm that the Government of Canada intends to live up to its commitments to aboriginal people, including those commitments made by previous governments. That is a very important point. We as a government have to live up to those kinds of commitments. We have to re–establish trust between the Government of Canada and native peoples across this country.

As the minister has indicated Boat Harbour is an industrial effluent treatment facility operated by the province of Nova Scotia. It serves the nearby Scott Maritimes kraft paper mill. Boat Harbour is adjacent to Pictou Harbour as members from Nova Scotia would know and it is about 115 kilometres northeast of Halifax. It is much closer to Charlottetown than it is to

Halifax; it is about 30 to 40 kilometres away from Charlottetown across the Northumberland Strait.

The Boat Harbour holding pond was created by blocking the entrance of a former tidal estuary to Northumberland Strait. Boat Harbour is currently surrounded by provincial crown land and by the Micmac band reserve.

It is important to point out that in 1966 when the idea came up of creating this effluent area at Boat Harbour the local First Nation was not at all happy about the idea. It was only after intense lobbying by the province of Nova Scotia, only after it was assured the effect of this effluent treatment system would be minimal that the band agreed to its being put there.

The point is that it was not minimal. The impact of this is tremendous. The pollution in Boat Harbour is unbelievable and certainly is far beyond what anyone would call minimal. The aboriginal people at Pictou Landing were definitely misled in this situation and are therefore entitled to redress which they have received through the settlement agreement.

The damming of Boat Harbour permanently raised the level of the harbour and flooded approximately 12 hectares of reserve land. That was a bit of a surprise. The harbour itself became devoid of oxygen almost immediately after the treatment facility commenced operations.

Over the ensuing 12 years the First Nation in that area made a number of representations to the Government of Nova Scotia seeking compensation for damage to its lands and for the flooding. Although the province made improvements to the treatment facility at that time, it stopped negotiating with the First Nation in 1982 and refused to recognize its claim.

The Pictou Landing Micmac Band then entered the federal government's specific claims process. In 1986 the First Nation filed suit against the federal government alleging breach of fiduciary duty.

It appeared they certainly had some grounds for making those allegations and for launching that suit. That of course is why the last government eventually settled, but it would seem to me that it had good reason to settle. An out of court settlement was finalized in the summer of 1993.

In addition to setting up programs to monitor the environmental and health impacts of the effluent treatment system, the government agreed to pay the Pictou Landing Micmac Band and its members $20 million in compensation. Out of this amount $3 million was to be distributed to all members of the First Nation regardless of whether they lived on or off the reserve. An additional $5 million was to be distributed among members of the First Nation who have lived on the reserve during the period of time the Boat Harbour facility has operated.

Also under this agreement a continuing compensation fund has been established to take care of special loss claims by members of the First Nation which would have arisen from the Boat Harbour problems. A total of $9.725 million has been allocated to this fund.

A further amount of $2.275 million was designated to compensate the First Nation for general impacts associated with Boat Harbour and to support worthy projects for the benefit of the First Nation.

In addition to the $20 million compensation, a $15 million community development trust fund has been set up and is now being administered by the Pictou Landing Micmac Band. These funds are available should members of the First Nation need to relocate in future in order to protect themselves from any possible future health hazards. I can imagine that if I were living next to a huge pond filled with chlorine, dioxins and furans, I might well consider moving and relocating too.

• (1635)

At a future date if Canada and the First Nation agree the moneys in the community development trust fund are no longer needed for that purpose the funds will be applied for other First Nation purposes. Both sides have to agree first.

In signing this agreement the Pictou Landing Micmac Band released Canada from responsibility and liability for past, present and future effects related to the Boat Harbour effluent treatment system.

The First Nation is also giving over to Canada all of its rights for possible legal action against Nova Scotia or Scott Maritimes related to Boat Harbour. This agreement does not mean that there will never be any claims made against the province or against Scott Maritimes. In fact we have been working with the province of Nova Scotia. Along with our urging and working with the province it is now spending $17 million to solve the problem, to improve the situation in terms of pollution impact at Boat Harbour which I think is a major accomplishment.

The settlement agreement was signed in July last year. Since then implementation has been proceeding well. Nevertheless this government still has work to do to fulfil its commitments under this agreement. That is why we are debating this bill today.

Specifically at the request of the First Nation the government agreed to introduce legislation to this House to fulfil certain commitments and provisions of the Pictou Landing Indian Band agreement. We are meeting this commitment through Bill C–60. Now it is up to hon. members to ensure that the honour of the crown is upheld by supporting this legislation.

In the Pictou Landing settlement agreement it was agreed that Canada would propose legislation to ensure two things: first, that the settlement funds will be the sole source of compensation for claims by members of the First Nation related to the Boat Harbour treatment system; second, that the settlement moneys are not to be considered Indian moneys under the meaning of the Indian Act.

These objectives will be achieved through Bill C–60 which is an administrative bill that imposes no additional obligations on the Government of Canada. This legislation ensures that any claims by members of the First Nation beyond those already settled by payments to individuals can only be made against the $9.725 million continuing compensation fund. This in turn will ensure that the settlement amount of $35 million is the full and final amount that the Government of Canada will pay with respect to this settlement.

Bill C–60 will also protect the First Nation against similar types of claims by limiting the claims of the members of the First Nation to the continuing compensation fund.

The provision that settlement moneys will not be considered Indian moneys as defined by the Indian Act is also important. First and foremost it will ensure that the intent of the agreement is met with respect to the Pictou Landing Micmac Band having complete control over the settlement moneys. Moreover the federal government will have no further liability or responsibility regarding these funds, which funds at the First Nation's request have been placed within a trust established pursuant to the settlement agreement.

The settlement agreement separates the resolution of the First Nation's lawsuit from any decisions regarding the future of the Boat Harbour treatment facility. Nevertheless the settlement agreement does require Canada to explore ways which might yield a solution to the environmental problem. That is very important.

Toward this end several federal departments are facilitating and working with the Pictou Landing Micmac Band and other concerned parties to achieve the rehabilitation of Boat Harbour. In fact the Department of the Environment is monitoring the Boat Harbour effluent system very carefully under the pulp and paper effluent regulations. The Department of Fisheries and Oceans is also involved in monitoring the system there for its effects on the local fishing habitat.

I want to advise hon. members that the federal government is committed to ensuring the cleanup of Boat Harbour meets Canada's high environmental standards. This legislation will have no impact on this process. It will not get in the way.

• (1640)

As a party to the final agreement, the Pictou Landing Micmac Band has clearly indicated it wants and expects this legislation to be enacted.

To ensure that Bill C–60 meets with its understanding of a settlement agreement, the First Nation was consulted during the drafting of the legislation. Members of the First Nation are now awaiting Parliament's decision. They have seen the bill. They like it and want to see it completed. It makes sense and fulfils the terms of the agreement as the government sees it and as the band sees it.

In making our decision on this bill, I would ask my hon. colleagues to keep the crown's honour in mind. I would ask them to remember that the legislation in this case is the product of a clear and genuine commitment which was made at the request of the Pictou Landing Micmac Band more than a year ago.

I would also remind hon. members that the government's word was accepted by the First Nation in good faith despite the problems it has endured over the past 25 years. I would not blame them for not taking the government's word after what they have gone through in this country. We have an obligation to ensure that this First Nation's trust in government is well–founded. We must demonstrate to all First Nations across Canada that the federal government will indeed live up to its commitments to aboriginal people.

There is no reason to delay action on this legislation. The intent of this legislation is reasonable and honourable. It is time to put this legislation into effect so that members of the Pictou Landing Micmac Band can concentrate on building a healthy future for their children and their communities. With that in mind, I urge my hon. colleagues to give their unqualified support to Bill C–60.

Mr. John Duncan (North Island—Powell River, Ref.): Madam Speaker, the hon. member seems to have a lot of knowledge about this agreement. My questions relate to the situation at the reserve and adjacent to Boat Harbour itself.

Are the conditions such that the member would anticipate a significant number of members from the reserve would actually choose to relocate? If they do choose to relocate is there a provision within the agreement that specifies a time frame by which they must exercise that option? In other words, is there a window that closes within I believe it is the $9.725 million allocated amount?

Mr. Regan: Madam Speaker, I certainly do not feel it is fair to say that I am an expert by any means. It is kind of the hon. member to say that I seem to have a lot of knowledge about this agreement but I think that is perhaps overstated.

However, it is fair to say that if I were living next to Boat Harbour which is filled with chlorines, dioxins and furans that I would certainly be considering moving or relocating, particularly if the problem were not solved quickly. One of the key things is what the province and other parties are doing which is working on solving the problem that is occurring.

With respect to the $9.725 million fund for relocation, as I understand it if there comes a point where there is a feeling that it is not going to be used, then the federal government and the band can come agree to change its use, but only in the case where both parties agree. Therefore, there is not a date per se but there is a provision that agreement is required from both parties in order to make that change.

I hope that answers the hon. member's questions.

The Acting Speaker (Mrs. Maheu): Prior to calling the question it is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Drummond—Blood supply system; the hon. member for Beauport—Montmorency—Orléans—MIL Davie Shipyard; the hon. member for Davenport—Nuclear weapons; the hon. member for Okanagan—Similkameen—Merritt—Bosnia.

Is the House ready for the question?

Some hon. members: Question.

(Motion agreed to, bill read the second time and referred to a committee.)

SUSPENSION OF SITTING

Mr. Boudria: Madam Speaker, I rise on a point of order. I think if you sought it you would find unanimous consent to suspend the sitting until such time as you can organize for the adjournment debate or until 6.30, whichever comes first.

Mr. Harb: That is an excellent suggestion, Madam Speaker.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): Therefore we will suspend the sitting until the call of the Chair or 6.30 p.m., whichever comes first.

(The sitting of the House suspended at 4.46 p.m.)

• (1710)

SITTING RESUMED

The House resumed at 5.12 p.m.

ADJOURNMENT PROCEEDING

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

NUCLEAR WEAPONS

Hon. Charles Caccia (Davenport, Lib.): Madam Speaker, I would like to ask the parliamentary secretary, as I did the minister last week, whether he can assure us that Canada will vote for a socially and environmentally responsible resolution that is going to come before the United Nations General Assembly.

The background to this resolution is as follows. It is a resolution that is asking the international court of justice for an opinion on whether the threat or use of nuclear weapons is ever justified.

When the vote came up in the first committee, as I understand it, Canada abstained. Tonight I want to tell the parliamentary secretary that I am ashamed of the fact that Canada decided to abstain from the vote, considering its fine, long and historical record particularly highlighted and developed over time by Prime Minister Pearson and followed in his footsteps by Prime Minister Trudeau. We have a tremendous reputation in the international community and we cannot abstain on such an important vote.

Let me also inform the House that in Canada there are about 100 national and regional groups supporting the resolution, including professional organizations such as Physicians for Global Survival, Lawyers for Social Responsibility, Project Ploughshares and the like.

In addition, city councils such as those in St. John's, Toronto, Vancouver and Victoria have passed motions in support of the resolution. This resolution was put forward at the United Nations by Indonesia on behalf of a large group of non–aligned nations. For the life of me I cannot understand why Canada cannot identify itself with non–aligned nations on a method that is related to nuclear arms and support this resolution to go to the International Court of Justice.

• (1715)

Surely our record is such that it should remove any doubt, any uncertainty and move us away from abstaining and vote in favour of this motion.

Madam Speaker, I am looking forward to the reply of the parliamentary secretary.

Adjournment Debate

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, on behalf of the Minister of Foreign Affairs I respond to my colleague from Davenport.

At the United Nations on November 18, 1994 countries voted on a resolution which was presented before the UN disarmament committee. The resolution called for the International Court of Justice to rule on the question of the legality of the threat of use of nuclear weapons.

Canada abstained on the resolution and gave an explanation for its vote which made clear that while Canada endorses in principle the objective of the resolution, that is the eventual elimination of nuclear weapons, it did not agree that this was the most effective means of achieving that goal.

The government has and continues to attach particular importance to international arms control and disarmament. We are working actively in international fora on such issues as START I and START II, the ongoing reduction talks, the extension of the non–proliferation treaty and and the negotiation of a comprehensive test ban treaty.

Canada also vigorously supports international negotiations to prevent the transfer of nuclear weapons technology and materials, to reduce and eventually eliminate existing stocks and to ban the production of fissile materials.

Canada is concerned that some states may use the reference to the International Court of Justice as a means to prevent or delay decisions on these international initiatives on the basis that the larger issue of the legality of nuclear weapons was being dealt with in another forum.

We believe that the negotiation of and adherence to binding multilateral treaties is a more effective approach to the ultimate elimination of nuclear weapons than an advisory opinion of the International Court of Justice.

In addition, Canada was concerned that this resolution could place the International Court of Justice in a difficult situation. It is possible that the credibility of the court could be harmed if it were to rule that nuclear weapons were illegal and the permanent members of the UN Security Council who currently possess such weapons were forced to ignore it.

Finally the International Court of Justice already has before it the similar proposition following a reference to the court by the World Health Assembly. A second reference does not appear to be necessary.

The decision of the government to abstain on this matter in the company of only Norway among NATO countries, is an indication that we are prepared to accept different approaches to meeting the challenges at hand.

The resolution will be before the United Nations plenary on December 15, 1994 and Canada will abstain for the same reasons.

BOSNIA

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, pursuant to Standing Order 37(3) I rise to get a more in–depth answer to questions I posed to the Prime Minister on December 8.

At that time I asked the Prime Minister, now that Canadians had been released, if the government would align with France's position and use this opportunity to withdraw our troops.

I further asked the Prime Minister if the government wished to reassure Canadians now that the hostages were free by withdrawing our troops.

As we all know, this is a very serious situation. The answers we have been getting from the government have praised the work the Canadian troops have been doing in the former Yugoslavia. I concur with those statements. I agree that they are the best trained troops in the world. They were put in a very difficult situation and they have done a superb job under the conditions.

Looking at the events over the past few days it would do us all well to review exactly what has been happening in the former Yugoslavia.

● (1720)

UN forces have had to put up with being shot at, humiliated and harassed to support the UNPROFOR mission. We are rapidly approaching the point where because of the danger, humiliation and harassment, the UN forces can no longer accomplish their mandate.

A UN spokesman, Michael Williams, said that the events last week point to an "extremely disturbing pattern" of Serbs directly targeting UN forces. He cited a series of incidents. First, two Spanish soldiers were injured near Mostar when they came under Bosnian Serb shelling. Second, three days in a row unarmed Ukrainian and British UN military observers patrolling on foot were shot at in the eastern Muslim enclave of Gorazde which is encircled by the Serbs. Third, a Norwegian observation post near near Tuzla in northeast Bosnia was fired on with mortar rounds last Wednesday and earlier in the day a nearby Norwegian observation post was destroyed by Serb shelling.

The UN spokesman Michael Williams went on to say: "This sort of outrageous behaviour clearly will affect the sort of

reappraisal and reassessment of UNPROFOR, which is obviously going on in many nation capitals. I think there is a limit to what peacekeeping troops can be subjected to and forced to endure".

Over the past weekend, on Saturday, a Danish convoy of fuel tankers was hijacked reportedly by Bosnian Serbs and a French fuel convoy was turned back outside Sarajevo after it was refused entry. Two Dutch communication vehicles were hijacked along with their satellite equipment. The Serbs refused permission for the plane carrying the UN commander in Bosnia, British Lieutenant–General Sir Michael Rose, to land at the Sarajevo airport. That was just yesterday.

The Serbs have even said quite straightforwardly that they would no longer allow UN armoured personnel carriers to escort aid convoys through the 70 per cent of the country they control. Aid workers said that they could not work without UN protection.

All of this leads us down the road to ask the serious question: What are the UNPROFOR troops doing in Bosnia? The UN Secretary General Boutros Boutros Ghali said last week in Montreal that a decision to withdraw peacekeepers would have to be made by countries that sent them. In other words, Canada, France, Britain and Ukraine would have to decide themselves whether they would give up their sovereign right to protect their citizens who are sent to these war torn areas and that decision should not be made by someone else. Indeed, it has to be made by the country.

There are a couple of red herrings that I want to get out of the way because we have heard them several times. The first is the lifting of the arms embargo. What would that mean to the UNPROFOR mission? We have witnessed on television that heavy arms are throughout Bosnia at this point in time. In fact, newspaper reports are saying that 40 per cent of Bosnia is now covered with surface to air missiles. We have also seen that the troops are unable to move.

Regarding this arms embargo, the Prime Minister said that if the arms embargo is lifted, our troops will come out. It is indeed a fact that there are arms getting into Bosnia now. How effective then is the arms embargo? I would say that it is not effective at all at this point, with the exception of what is happening on the Adriatic Sea. Certainly there are arms getting into the Sarajevo airport and being distributed to the belligerent forces.

I have come to the end of my time. I would like to hear from the parliamentary secretary maybe a little more on the question that I asked the Prime Minister regarding aligning with France's position and also some comments that would reassure the Canadian public that we are indeed moving to—

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I want to tell you this is a very serious subject as Christmas approaches and our peacekeepers are in a foreign land doing peace operations. I certainly respect the viewpoint of the hon. member.

I have to tell you, Madam Speaker and I am sure the hon. member would not mind sharing this with me that he along with the hon. member for Perth—Wellington—Waterloo spent some time in ex–Yugoslavia.

We have some feeling for what we are all talking about. It may differ on all sides of the House. I will not get political about this. The hon. member talked about the peacekeepers and the arms embargo. I have a son who is in the arms embargo business. He is a combat systems engineer at HMCS *Toronto*. As the hon. member knows, he and I worked at Halifax on the *Preserver*. He wants to come home for Christmas. He understands why he is there.

I will say to the hon. member we met other people. I will not mention my constituents because that could be misconstrued. I will mention classmates of my son: Andrew Napper, Rob Stoney, Colin Blais, and Stephen Brown who met us at the aircraft that took us from Zagreb to Sarajevo. It was an interesting flight. We were not sure if we were going to make it. They understand why they are there.

I want to set the record straight. The hon. member on September 21 talked about the committee that we both served on, and I may say to his constituents he served honourably and well. I want to remind the hon. member of what he said. I am sure my hon. colleague will remember this. He said: "What makes this defence committee report so important? The committee spent months hearing testimony by Canadians from all walks of life. Hundreds of testimonies have been heard in the presentation".

This is what the hon. member signed his name to. As a committee we have stated clearly our conviction that Canada's interest and responsibilities extend beyond our borders. These are true matters in defence and security as in the economics sphere.

I do not want to throw this at the member. I know that he comes from a serious motivation. He did quote what France did. I am now quoting what he said as a member of a Canadian organization which was the first time in 60 years that Canadians have had their politicians go and ask the question of Canadians: "What do you want to do in defence?"

He would have to agree with me that they said: "You should continue to do what you are doing". We may have to change at some time but at this particular point in time our Prime Minister has said: "We believe that we should stay".

I am sure the hon. member, as most of our colleagues, would respect that.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 5.27 p.m.)

HOUSE OF COMMONS

Tuesday, December 13, 1994

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

CANADIAN HERITAGE

Mr. John Godfrey (Don Valley West, Lib.): Madam Speaker, I have the honour to present the second report of the Standing Committee on Canadian Heritage on Bill C–53.

[*English*]

AGRICULTURE AND AGRI–FOOD

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Madam Speaker, I have the honour to present the fifth report of the Standing Committee on Agriculture and Agri–Food.

This interim report on agri–food priorities is intended to provide assistance to the Minister of Finance as well as the Minister of Agriculture and Agri–Food prior to the 1995 budget. It is based on input and views from many representatives of the agri–food sector who took the time to come to Ottawa to appear before the committee between August and December of this year.

The witnesses represented all sectors. We heard from academics, agri–food organization executives and specialists at both producer and processor levels. Each came with an individual point of view but from among them emerged some common threads.

CRIMINAL CODE

Mr. Jay Hill (Prince George—Peace River, Ref.) moved for leave to introduce Bill C–297, an act to amend the Criminal Code (summary conviction penalties).

He said: Madam Speaker, it is my pleasure to rise in the House today to introduce a bill to amend the Criminal Code with respect to summary convictions.

Earlier this year the Minister of Justice introduced sentencing reforms but he did not go far enough. Many charges that should not be are all too frequently plea bargained down to summary convictions.

This bill provides for the maximum imprisonment on summary conviction to be increased from six months to two years. For minor offences a judge could still hand down a short sentence but for more serious crimes he or she could give up to two years.

Criminals need to be sent a message that the judge has the discretion to send them up the river for a two year stay at the Crowbar Hotel.

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

* * *

COMMITTEES OF THE HOUSE

FINANCE

Mr. Ray Speaker (Lethbridge, Ref.): Madam Speaker, I move that the 10th report of the Standing Committee on Finance, presented on Thursday, December 8, be concurred in.

I appreciate the fact that I have the opportunity this morning to discuss the 10th report of the Standing Committee on Finance and bring it before the House of Commons for discussion.

The motion states that we should concur in the report. I want to put on the record this morning the fact that the Reform Party agrees with some parts of the report but we do not agree with all of it. I want to point out those areas where we do not agree and, as well, those areas where we do agree.

It is very important that it go on the record at this point in our discussion whether or not the government concurs in the report. It is a majority report, and represents the Liberal members on the finance committee. We would like to know if their position is accepted or rejected by the government. If it is then the people of Canada, between now and February when the 1995–96 budget is presented, will have the opportunity of reacting and giving the government advice before it formalizes the next budget. I would

say it is the most important budget for the government and for Canadians at the present time.

I have this to say about the process in terms of the report. The object of the 10th annual report is to allow Canadians to have some input into the budget prior to its being accepted by Canadians. That was a good idea. But there were some shortcomings that should be explained and should be referenced so that in the next fiscal year when we go through this process we will improve the process and more Canadians can be involved.

• (1010)

I have observed that three types of presentations were made to the committee. First, presentations were made by those people who are very fiscally conservative and believe that the government's 3 per cent target is not adequate. They believe we should go further and balance the budget within the term of this Parliament. I certainly support those presentations.

Second, there was a group of people who believe that we should not move on the expenditure reduction side but move on the tax side, that if we tax the rich, we can balance our budget. They believe that if we allow economic growth, eventually we will grow out of our fiscal problems. Past governments have tried this. Tories over the past 10 years have attempted to do this. We have only compounded the problem and made things more difficult.

The third group of people who made presentations were the vested interest groups. They came for one purpose and one purpose only. They made presentations that said: Don't take my public funding away from me. I am a special interest group and you must protect my funding and I would like a little more. How they could ever make those presentations in light of today's fiscal realities, I cannot understand at all. Listening to those groups was very disappointing.

Those were the three types of presentations we heard. Where are the shortcomings? First of all, we did not hear from a broad cross–section of Canadians. What we must do is change and update the process to a more contemporary, grassroots, I would say Reform process, whereby Canadians have access to tell their government what to do and what their priorities should be. That was a major shortcoming of the presentations that were made to us. The government did not allow for that.

The other shortcoming was timing. In November we decided we would start hearings. The various groups were given maybe a week, at the outside 10 days' notice that they could make presentations. People came to the committee saying they had done their best in the few days. They did not know we were having the hearings and would have liked to have known sooner.

There is no reason why we cannot let the Canadian people know in July, August or September that hearings are going to take place. Then they can prepare to make well thought out presentations. Even in light of the short period of time they were given some of the presentations were very well thought out.

If those two things were corrected it would improve the process. Canadians could direct their government and tell it what their priorities are. We would have had greater input in terms of priorities for expenditure reduction. That is the first point I want to make. The process is a good start by the government but it has some weaknesses and can be improved.

My second point is with regard to the recommendation of this report to increase taxes. As Reformers we were most disappointed. I know many Canadians are starting to echo the sentiment that they do not want an increase in taxes. "Please do not increase my taxes. I cannot afford to deal with the deficit by paying more taxes. I have paid enough and I am at the point where I am going to react negatively to this whole ongoing process". I do not blame them in the least.

As members of Parliament scatter out across the nation following adjournment this week, we will hear from our constituents that they have major concerns about new taxes being imposed on them at this time.

• (1015)

Businesses are starting to have a growth pattern. Individuals are feeling more confident in their jobs. That is a good circumstance. If in that environment we as a government impose more taxes and start to squeeze them harder so that they do not have more flexible income for personal purposes or for expanding their businesses, we are doing those people and those businesses a major disfavour. We cannot do that.

What about the taxes that are proposed in the 10th report by the majority of the committee, the Liberal members? First, they have said to Canadians and they said to us in committee that some type of a tax must be introduced. If expenditures are reduced and people are laid off there is a period of time in the first year when the expenditure reductions do not take place. There is a delay for one or two years before there is a significant expenditure reduction. Government members have said that some kind of interim tax must be introduced to compensate for that period of time.

Everyone knows that whenever a government introduces a tax it never gets to the point where it is terminated. It is there forever after. Since the 10th report was tabled I have heard people say over and over again that it is just like the income tax brought in for the war and we still have that income tax. It has

expanded and intervenes in people's lives more and more every day. That is what has happened.

However the government has said it is going to put that tax in. It is going to argue that it needs it on an interim basis to get itself through the period before it really reduces the government expenditures. I do not think that argument is good enough.

Alberta reduced expenditures by some 20 per cent across the board in government both in social program areas and non–social program areas. That was not the problem there; the event projected by this government which is being used as an excuse did not happen in Alberta. I do not believe it would happen if we had effective expenditure reduction at the federal level. I do not think it would happen the very same way.

What are those taxes that were introduced by the government? First of all it said it wanted to collect about $1 billion by putting a tax of one and a half cents on each litre of gas. The government said: "We can do that for all Canadians and it will not hurt them". One of my colleagues said it was a kind of carbon tax. We cannot really say it is that because it does not focus completely on Alberta. It affects all people right across Canada.

Last week I was listening to an Ottawa radio program. They were discussing the cost of fuel in Ottawa versus Toronto. The people in Ottawa were saying: "Why do we have to pay so much more? We are paying too much for our fuel". A number of people phoned in to say they needed to drive their cars to work. Some people think if there is a tax put on fuel that the extra tax will be coming from people who are holidaying or driving without a specific purpose. One person said: "Just about all I use my car for is to drive from home to work. It is part of my costs in my job".

If this extra cost is added, all it does is take away the money Canadians need for their personal use, their food, clothing, shelter and health care and maybe something extra when they want to buy Christmas gifts and so on. That is one part of it. That is the individual.

• (1020)

What about the business community? What about the trucking community out there? People are on the road every day moving their merchandise across this nation east and west, north and south, trading with the United States and taking advantage of the free trade agreement we have set up. All of those people are impacted. It takes money away from the business community that is needed maybe to hire more people or to invest and create more jobs. This tax is a depressing thing. It is not positive toward building our economy, it depresses it.

I am sure if a poll were taken people when talking to us would say very clearly that expenditures must be cut that we must reduce expenditures. The 3 per cent target set up by the government is not good enough. The $25 billion we will be left with in 1996–97 is still going to add $100 billion to our deficit. It is going to increase the debt to over $600 billion. It is going to increase the interest payments of government from some $40 billion up to possibly $50 billion.

People would say very clearly: "The cost of government must be cut back, but do not increase my taxes. I am struggling to pay the current rate. Do not take more away from me if you expect me to be the engine of the economy". I have heard politicians say for years that it is the small businesses and individuals that will make the economy move. Small businesses are the engine of our economy, not the big corporate ones. Here we are hitting them right on the chin with an extra gas tax. We are going to take $1 billion out of the economy with regard to this gas tax. That is unfair when we are trying to build the economy. We are not trying to depress the economy, but we are doing it by this tax.

I want to ask a question of my colleagues on the finance committee. There were nine Liberal members, three Bloc members and three Reform members on the committee. I will ask the question as well to this assembly: Who asked for the tax? I never heard anybody make the presentation that gasoline should be taxed, that a one and a half cent tax should be put on every litre of gasoline.

It was slipped into the committee report that there would not be a tax on diesel fuel. The government said that maybe the farmers in Ontario, Alberta or B.C. should not be taxed on their diesel fuel which was a rather compassionate consideration. Maybe some of the truckers who use diesel fuel will consider it to be a bit compassionate.

Every Canadian is being hit with this tax. I believe the Liberal members on the committee were encouraged by the finance department to float that as a balloon to see what would happen, see the reaction. If over the Christmas season while Canadians are trying to enjoy the holiday with their families, they are not yelling at Ottawa and creating a ruckus in the media, then it will be implemented.

It is a terrible time to fly a balloon because we are all trying to relax and back off from some of our responsibilities. Who wants to sit down and write a letter to their member of Parliament about a gas tax? However they might be mad enough to do just that and I hope they do.

My colleagues say they are already receiving letters of concern on this issue. The government should listen before it decides to implement a 1.5 cent a litre gas tax across the board that will affect every Canadian whether they are working or whether they are the poor. Whether they are mothers with dependent children who need to drive to day care, whether they are small business persons, whether they are trying to expand their businesses or trying to invest, every one of them is going to be hit by this 1.5 cent per litre gas tax.

• (1025)

We in this House had better stop that today. I would appreciate it if government members would get up today and say: "We made a mistake. We are sorry. We think we should withdraw that. We were flying a balloon". That would be a tremendous Christmas present for Canadians. That would be true Liberal compassion right on top.

That is only one tax the government intends to impose on Canadians. The next one is a corporate tax. To satisfy the left wing socialist element of the Liberal Party it was to introduce some kind of corporate tax. It is trying to wriggle it around so that it is put on the capital. Rather than being up front and saying it is the kind of tax the government is going to impose on Canada's corporate sector, it is a way to weasel some money out of those in the corporate sector. They will not know what hit them until the tax bill is laid on the table before the executive director of this country.

I know the corporate sector does not have much of a defence. There is no political group out there to represent it. Granted the committee heard from what I call the left wing presentations that we should tax the rich, we should tax the corporations, that the corporations are paying fewer taxes now than they did back in 1986. There were graphs and presentations to show that the corporate sector was slipping out from under the rug again.

I am not here to defend the corporate sector. However we have to realize the situation of the corporate sector in Canada after 1984. The real recession and downturn in the economy hit Alberta in 1982, but in 1984 real estate values for example dropped 25 to 30 per cent in a period of about 18 months. It was devastating for those people.

That is one reason, and there are others, the corporate sector is paying less. It is not because it is dodging or hiding from the tax. We should realize that. A number of groups went after the banks which is another case in itself. I want to make two more points in the two minutes I have remaining.

A tax on lotteries is the third tax being proposed by the Liberal majority on the finance committee. Who wants to defend lotteries? They are a tough thing to defend. Politically we could say that sure some lucky guy wins and he should pay the tax.

The lotteries are already taxed four times. This would be the fifth tax on lotteries. There is not much to squeeze out of the lotteries. We could take it if we want but there is not much there. Some exchanges with the provinces would have to be made. They do have some say about the taxing of lotteries and they are going to be very upset when they find the federal government trying to propose this kind of a tax.

I want to make one more point. The other tax that was going to be introduced was called the deficit reduction surtax. It is something like the gasoline tax, only worse. It puts a tax on every Canadian, no matter who they are. Whether it is an individual or a business, any kind of economic activity or earned income will be taxed by this surtax. Every Canadian will have a government tax imposed on them for government mismanagement. It is the wrong option. Like any other increase in tax, it is wrong. We should reduce the government expenditures more. That is the approach. We are totally against increases in taxes.

The Acting Speaker (Mrs. Maheu): We have a period of questions and comments.

Mr. Milliken: Madam Speaker, on a point of order I move that the debate be now adjourned in light of the fact that there was no notice of this.

The Acting Speaker (Mrs. Maheu): We will complete the period of questions and comments.

• (1030)

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, speaking of the deficit reduction surtax, it is referred to specifically in the standing committee report as being a single tax. Unfortunately, one of the members from the standing committee from the Liberal side, the member for Vaudreuil, has been, I am sure without any malicious intent, misinforming the public by saying that a single tax means 1 per cent.

In other words, Canadians right now think the deficit reduction surtax being called a single tax is only 1 per cent. A single tax simply means that whether it is a single mother of three children earning $1,500 a month, or somebody earning $100,000, or a large corporation, a single tax will be applied to their tax rate. It can be whatever per cent.

Canadians have to clearly understand that what the finance committee did was turn over to the finance minister a blank cheque that all Canadians will have to fill in and sign. Will this deficit reduction surtax be 1 per cent, 2 per cent, 10 per cent? How much is the surtax going to be? I suggest to Canadians they should be aware of the fact that there were balloons being flown at nearly every committee meeting asking what is the vision that we have of our responsibility to Canadian people.

I wonder if the member might wish to comment on the reduction or the proposed elimination of the PUITTA, which is the public utilities tax that is going to be on private utilities in Alberta, Nova Scotia, Newfoundland and Labrador where in the presentation that was made to us on the finance committee it was clearly stated by the people making the presentation on behalf of those private utilities that the people of Alberta, Nova Scotia, and Newfoundland and Labrador may be looking at as much as a 10 per cent hike in their hydro rate.

I wonder if the member would care to make a comment about that.

Mr. Speaker (Lethbridge): Madam Speaker, I would like to comment on both issues raised by the hon. member. First, with regard to the deficit reduction surtax, it says in the report that a single rate levy would be made on all businesses and personal income. That means all Canadians regardless of income or circumstances would have a single levy. It does not mean 1 per cent. It could mean 5 per cent, 4 per cent or 3 per cent.

The chairman of our committee, the hon. member for Willowdale, indicated that a 1 per cent surtax collected across Canada would bring in about 700 million in tax dollars. I would think the minimum the government would charge as a surtax would be 2 per cent to bring in about $1.4 billion, because that is the amount of tax money it has looked at in this report.

Regarding the second question of the Public Utilities Income Tax Transfer Act, I think it would be very unfortunate if the government tried to take $249 million from the private utility companies of this country. The problem is that it focuses that source of income on two or three provinces and mainly Alberta. Alberta has some major private resource electrical companies. That is $249 million that would be sucked out of the industry. In addition, it would raise the cost of utilities in those respective provinces. That would be like a targeted tax. I do not think that is fair as a tax principle as well.

In Alberta the farmers who now use electricity to pump for their irrigation systems would be significantly affected by the implementation of this tax, or changing the current circumstances with regard to the public utilities income tax transfer at the present time.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I have a question for the hon. member. He has been spouting these scare tactics among Canadians about taxes—

Mr. Abbott: Scare tactics.

• (1035)

Mr. Milliken: Yes, scare tactics. He is spouting scare tactics, trying to convince Canadians that somehow the government has an evil plan to tax them.

Mr. Mills (Red Deer): Speaking the truth.

Mr. Milliken: I want to have the hon. member speak the truth all right. I want him to tell Canadians what his party's plans are for cutting social programs to balance the budget. They have told us they are going to balance the budget, I think in a year or two, and are going to take $40 billion out of government expenditure.

We have had some details on the $10 billion in cuts which they have been specific on, but then there is an unspecified amount of cuts to Canada's social programs. I wonder if he would come clean with Canadians and tell them the facts. Which social programs are going to be cut and how much? I would like to hear the answer from the hon. member.

Mr. Speaker (Lethbridge): Madam Speaker, one of the things the Reform Party has done is lay out the details of our expenditure reductions. We placed before Canadians a week ago Thursday last $10 billion of expenditure reductions. First, we went into the details and presented that to the committee.

Second, we made this available to the media and anybody else who wanted the details. We went into the specifics, beyond the presentation of the finance committee, and made those available to show that there was credibility to any of the numbers we presented. If one reads any of the media reports in the *Financial Post*, *Globe and Mail* and a long list of others, there is tremendous support for the presentation we made.

We recognize that after economic growth of some $16 billion we still have to eliminate on average about $14 billion over a three year period. We see $24 billion of expenditure reduction over a three year period. On average that is about $8 billion per year.

That is approximately 6 per cent to 8 per cent per year which was not in the business community when there was a downturn after 1982 and a downturn after 1984. Some of those business people cut their business costs by anywhere from 15 per cent to 25 per cent. The expenditure reductions we are talking about here are minor and can be accomplished.

Where are they? In the social program areas, we will be outlining by the first week of February for Canadians specific expenditure reductions. The focus of our expenditure reductions will take the dollars that are left. There will be some $50 billion to $55 billion in what we call the social program area. I could define that but it would take a few moments so I will not do it. However, in that $50 billion to $55 billion we will be reducing the expenditure of that area. We have already reduced it from $67 billion because there was $67 billion in that social program area that I am talking about.

However, we will give specifics to the Canadian people as to where we will do it. Nothing will be hidden. The $50 billion to $55 billion that is left will be used for positive programs to help those people who are in true need in Canada. We will show compassion because we care about our responsibility to those people in need across this nation.

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, when I was back in the constituency this weekend people were absolutely infuriated by just the mention of this increase in tax. We are already overtaxed. People are already taking their capital out of this country and people are on the brink of a tax revolt. I wonder if the government knows exactly what kind of balloons it is floating.

I would like to ask the member if he has that same feeling from the Canadian people because I do not believe the government is listening to the Canadian people.

Mr. Speaker (Lethbridge): Madam Speaker, I know I have limited time but I would encourage Canadians to speak out and speak against tax increases of any kind. We cannot afford them. We are at the maximum level. If it leads to revolt and if that is what the government wants, that is the way it will be.

I am very disappointed that the government has not stood up at this point in time and continued this debate and put its position on the table as to why it supports tax increases. If it does not, why does it not speak against the report and not concur in it?

• (1040)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, in light of the complete absence of notice that this was going to proceed this morning, the members we would like to be here in order to continue this debate are unfortunately not here. I know it is improper to refer to the absence of members, but it is vague notion today because I am not referring to any specific members.

Had we been given some notice we might have been pleased to continue this discussion. In the absence of notice we will have to postpone it. I therefore move:

That the debate be now adjourned.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 138)

YEAS

Members

Adams
Anawak
Arseneault
Assadourian
Bakopanos
Bellemare
Blondin–Andrew
Bonin
Brushett
Caccia
Campbell
Chamberlain
Chrétien (Saint–Maurice)
Copps
Crawford
DeVillers
Dingwall
Duhamel
Easter
English
Finestone
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Grose
Harvard
Hopkins
Ianno
Irwin
Keyes
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lincoln
MacAulay
Malhi
Manley
Marleau
Massé
McLellan (Edmonton Northwest)
Mifflin
Mills (Broadview—Greenwood)
Murray
O'Brien
Ouellet
Parrish
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette–Maltais
Serré
Sheridan
Speller
Steckle
Stewart (Northumberland)
Telegdi
Tobin
Ur
Vanclief
Wappel
Whelan
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre)
Barnes
Bertrand
Bodnar
Boudria
Bélair
Calder
Catterall
Chan
Collins
Cowling
Culbert
Dhaliwal
Discepola
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Iftody
Jackson
Kilger (Stormont—Dundas)
Knutson
Lastewka
Lee
Loney
MacLaren (Etobicoke North)
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire
McWhinney
Milliken
Mitchell
Nault
O'Reilly
Pagtakhan
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Rock
Shepherd
Simmons
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
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Walker
Wells
Young —134

NAYS

Members

Abbott
Althouse
Axworthy (Saskatoon—Clark's Crossing
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Bélisle
Caron
Chrétien (Frontenac)
Dalphond–Guiral
Ablonczy
Asselin
Bellehumeur
Bernier (Gaspé)
Bridgman
Brown (Calgary Southeast)
Canuel
Chatters
Cummins
Debien

de Jong	de Savoye
Deshaies	Duceppe
Dumas	Duncan
Epp	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Godin
Gouk	Grey (Beaver River)
Grubel	Guay
Guimond	Hanger
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Jacob
Jennings	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	Manning
Marchand	Martin (Esquimalt—Juan de Fuca)
Mayfield	McLaughlin
Mercier	Meredith
Mills (Red Deer)	Morrison
Nunez	Paré
Penson	Picard (Drummond)
Plamondon	Pomerleau
Ramsay	Ringma
Rocheleau	Sauvageau
Scott (Skeena)	Silye
Speaker	St-Laurent
Stinson	Strahl
Taylor	Thompson
Tremblay (Rimouski—Témiscouata)—89	

PAIRED—MEMBERS

Members

Bachand	Bevilacqua
Bouchard	Cauchon
Collenette	Crête
Dubé	Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)	Minna
Ménard	Robichaud

The Acting Speaker (Mrs. Maheu): I declare the motion adopted.

* * *

• (1125)

PETITIONS

CRIMINAL CODE

Mr. Sarkis Assadourian (Don Valley North, Lib.): Madam Speaker, this petition was signed by 300 Canadian citizens.

The undersigned residents of the province of Saskatchewan draw the attention of the House to section 745 of the Criminal Code of Canada wherein convicted murders sentenced to life imprisonment without chance of parole for 25 years are able to apply for a review after 15 years.

Whereas the murder of a Canadian citizen is a most reprehensible crime, the petitioners request that Parliament repeal section 745 of the Criminal Code of Canada.

HUMAN RIGHTS

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, it is my pleasure today to rise in the House to present a petition signed by a number of my constituents from the riding of Red Deer.

The citizens request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, I have a petition to present on behalf of the constituents of Simcoe Centre.

The petitioners request that the Government of Canada not amend the Human Rights Act to include the phrase sexual orientation. The petitioners fear that such an inclusion could lead to homosexuals receiving the same benefits and societal privileges as married people. I concur with the petitioners' request.

ASSISTED SUICIDE

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, I have a number of petitions to present.

The petitioners want Parliament to ensure the present provisions of the Criminal Code of Canada prohibiting assisted suicide are enforced vigorously and to make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

CRIMINAL CODE

Mr. John Nunziata (York South—Weston, Lib.): Madam Speaker, tens of thousands of Canadians have signed petitions requesting parliamentarians to repeal section 745 of the Criminal Code.

Section 745 allows those convicted of first or second degree murder to have their parole ineligibility reduced to 15 years. There will be a vote later this day at 5.30 p.m. on a private member's bill which would do just that, that is repeal section 745 of the Criminal Code.

I have the privilege to present to Parliament some of those petitions today containing the names of several hundred petitioners requesting that Parliament repeal section 745. I urge members to be out this afternoon to vote in favour of the private member's bill.

HUMAN RIGHTS

Ms. Marlene Catterall (Ottawa West, Lib.): Madam Speaker, I have a petition to present to the House from Canadians objecting to absolute discrimination against lesbian, gay and bisexual Canadians who are an everyday reality in all regions of Canada. They say that is unacceptable for a country known for its commitment to human rights equality and dignity for all citizens.

It calls upon Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation.

● (1130)

CRIMINAL CODE

Mr. Rex Crawford (Kent, Lib.): Madam Speaker, I am honoured once again to rise in the House under Standing Order 36 on behalf of the hon. member for York South—Weston and his constituents.

The undersigned residents of Canada draw the attention of the House to the fact that individuals convicted of first degree murder are sentenced to life in prison without eligibility for parole for 25 years. Those convicted of second degree murder can be sentenced to life imprisonment without eligibility for parole for 15 years or more.

Section 745 of the Canadian Criminal Code allows murderers to apply for a reduction in the number of years of imprisonment notwithstanding having been tried, convicted and sentenced in a court of law. Individuals convicted of second degree murder and sentenced to life in prison can become eligible for parole after serving 15 years by virtue of section 745 of the Canadian Criminal Code.

Therefore the petitioners request that Parliament pass legislation to remove section 745 from the Canadian Criminal Code. I agree with the petitioners.

RIGHTS OF GRANDPARENTS

Mrs. Beryl Gaffney (Nepean, Lib.): Madam Speaker, I have petitions signed by 800 people from across the country.

These people believe that grandparents, as a consequence of the death, separation or divorce of their children, are often denied access to their grandchildren by their guardians. Several provincial jurisdictions including the Quebec civil code contain a provision to ensure the right of access of grandparents to their grandchildren.

The petitioners request that Parliament amend the Divorce Act to state that in no case may a father or mother, without serious cause, place obstacles between the child and the grandparents and failing agreement between the parties the modalities of the relations are settled by the court.

HUMAN RIGHTS

Mrs. Beryl Gaffney (Nepean, Lib.): Madam Speaker, I have a second petition with 45 signatures.

The petitioners are calling upon Parliament not to amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

CRIMINAL CODE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, I have two petitions to present under Standing Order 36 that deal with section 745 of the Criminal Code. One is from members of the RCMP and many police officers in Saskatchewan and asks that section 745 be repealed.

I have another petition from numerous individuals in Alberta asking that section 745 be repealed. I am privileged to support these petitions.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Shall the questions stand?

Some hon. members: Agreed.

Mr. Harper (Simcoe Centre): Madam Speaker, I rise on a point of order. My Question No. 21 has been on the Order Paper since March 8, 1994 or 280 days. It is a straightforward question.

I wonder if I could get an indication of when I might expect a reply.

Mr. Milliken: Madam Speaker, let me assure the hon. member that it will be soon. I would hope we might have an answer before the adjournment of the House this week but I do not know.

I must say it is one question I have inquired about on numerous occasions. I understand there has been some difficulty with the answer. As soon as it can be provided I will be glad to table it in the House for the hon. member.

Mr. Stinson: Madam Speaker, I rise on a point of order. My Question No. 40 has been on the Order Paper since April 22, 1994 or 231 days. I am also wondering when I can expect an answer. It seems to be taking a terribly long time.

• (1135)

Mr. Milliken: Madam Speaker, I am very sympathetic to the situation the hon. member has described. I too am disappointed at the delay in getting some of the responses. In the last few days I have been pressing to get answers to these questions so they could be tabled in the House this week.

I assure the hon. member that his questions have been the subject of intense questioning by me as to when we might get answers in the House. I will continue to press for a quick reply.

I appreciate the member is representing many Canadians who are very interested in these answers. I do not deny that. I fully support his right to ask the questions. It is quite proper that he put them on the Order Paper.

As a member who used to be able to enjoy that privilege, I assure the hon. member that had I been in his position I would be saying the same as he is. I sympathize fully.

Mr. Chatters: Madam Speaker, I rise on a point of order. I ask the same question. Having had Questions Nos. 43, 44 and 46 on the Order Paper for 225 days, I would like to know when I might expect replies to the questions.

Mr. Milliken: Soon, Madam Speaker.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

On the Order: Government Orders:

December 12, 1994—The Minister of Human Resources Development—Second reading and reference to the Standing Committee on Human Rights and the Status of Disabled Persons of Bill C–64, an act respecting employment equity.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.) Madam Speaker, I move:

That Bill C–64, an act respecting employment equity, be referred forthwith to the Standing Committee on Human Rights and the Status of Disabled Persons.

He said: Madam Speaker, first let me address what I think is an important parliamentary landmark. In this case we are taking a bill after first reading and directing it specifically to a committee so that it can assist in the drafting of the legislation. It is an indication of the kind of parliamentary reform to which our government became committed after the last election. It would give an opportunity for members of Parliament to consult widely with all groups affected by the proposed bill and to ensure it reflects the broad base of concern.

I thank the House leaders for the opportunity to try a bit of a pilot project in bringing the parliamentary system more into the process of legislative development and blueprinting.

The bill warrants that kind of attention. It is in many ways a very significant piece of legislation because it affects 60 per cent of Canadians. It is something that goes to the heart of the whole question of equality in our society, ensuring we try to eliminate as many barriers as possible to prevent people from going to work.

Over 10 years ago when I was in the previous Liberal government as the minister of employment I had occasion to establish a royal commission under Judge Rosalie Abella who looked at the whole question of employment equity and made a number of recommendations. Unfortunately by the time her report was finished the voters had decided to put Liberals in the position of a sabbatical for a period of years and the government that followed only went forward in a partial way to meet the recommendations of the Abella commission.

I am very pleased today, having been part of the initial start on a new regime for employment equity, to be able now to fulfil the recommendations that were originally presented by Judge Abella on how we could work toward the elimination of systemic discrimination in the workplace. By systemic we mean practices, attitudes and developments that have occurred over many years. It does not mean that somebody is being outright bigoted, but it does mean that over time we have allowed the workplace, as we have in many other parts of society, to provide a series of barriers to various kinds of people.

In this case we have four designated groups: disabled Canadians, women, visible minorities and aboriginal people, all of whom feel they have not been able to secure fair, open and equitable access to the workplace.

In the previous legislation the opportunity to enforce and provide a strong sense of direction was not there. It was simply a reporting information based system.

• (1140)

We are undertaking in the legislation a series of very important further steps to complete and to bring up to date the kind of requirements we need to make employment equity really work.

[*Translation*]

I think this bill is fair, reasonable and very progressive. For the first time, the federal Public Service will be subject to the Employment Equity Act. Also for the first time, the Human Rights Commission will have the authority to ensure that employers meet their obligations. For instance, the commission may conduct audits of all public sector and private sector employers covered by this legislation.

[*English*]

Basically we are responding to the need to make sure there is proper and fair balance among all employers under the federal jurisdiction. For the first time the Public Service of Canada, involving over 250,000 employees, will be brought under the jurisdiction of this act.

It will require obligations to be met by the armed forces, the RCMP and other areas subject to the final discussions of the President of the Treasury Board to work out matters dealing with operational efficiency and effectiveness.

We have also been giving to the Human Rights Commission, an independent agency responsible to Parliament, the right to begin to enforce these actions by giving it a power to undertake workplace audits. Rather than simply being based on some kind of abstract notion, the Human Rights Commission will now have the responsibility of examining in a wide variety of workplaces exactly in what way they are meeting their requirements under the act to ensure that barriers are brought down, hiring practices are fair, training is offered and facilities are reconstructed to meet the specific requirements to ensure equitable, fair and just treatment in the workplace.

It is our primary hope that kind of audit will be done in a fully co–operative way. Up to this point in time we can say that most private employers have co–operated, because they recognize that employment equity is not purely a matter of human rights, as important as it is. It is also good business. It is good to make the best use of human talent and human resources of whatever kind and in whatever place.

There was an interesting article a month or so ago in the American business magazine, *Business Week*. The title was something we do not normally see on the cover of *Business Week*. It was entitled "Inequality". The point made in the feature article of the magazine was that one of the major deterrents to economic growth in the United States was the increasing inequality in society.

We are moving into an age where the workplace requires more and more investment in human capital, resources, talent and ability. If we have people on the sidelines, if we marginalize people, if we do not draw upon the best talents, we do not have the full resources brought to bear to make a productive society. There is no question there are barriers in the workplace that inhibit and prevent that from happening.

A good example in Canada is how some of our major banks which come under federal jurisdiction have begun in the last couple of years very major programs of minority hiring. I quote a vice–president of one of the major banks who recently noted the benefits of employment equity practices by saying: "It brings into our business an infusion of new ideas, a broader perspective, better decision making and a greater sensitivity to all approaches".

They are finding that employment equity has substantially added to the productivity and the performance not only of designated workers but all workers. By improving the operation of human resource planning, management and development inside the workplace, designed primarily to ensure fairness and openness, it provides avenues and open doorways for all workers to achieve.

That has met the test of efficiency. We know the ideologues will not believe it but people in business understand it. The people who understand how things work will believe it, but those across the way who scrape their knuckles when they walk will not understand it. Those who are in business understand how it works. That is why it receives that kind of support.

● (1145)

We have consulted very widely on this bill. We have talked to business, federal employers, aboriginal groups, labour groups and disabled Canadians; four million Canadians who have one form of disability or another and have been one of the strongest and most effective lobbies to bring about these kinds of changes in employment equity. They recognize that they have enormous talents to give.

As I have said in another context when we talked about social reform, one of the objectives is to bring down barriers so that people for example who are presently disabled now under many social programs in the provinces have to declare themselves unemployable to get a benefit. At the same time there are also barriers in the workplace.

As the federal government we are working to eliminate those barriers in our own workforce and in all those companies and organizations which come under federal jurisdiction.

What we are proposing today is a major step forward that will really have major benefits. It would clearly signal to over 60 per cent of Canadians that we are prepared to move actively on their behalf to secure fair, equal treatment in the workplace.

That is a message that is long overdue and one that will clearly represent a commitment to fairness in society and a more just treatment of all those Canadians who have felt that for reasons which had nothing to do with their talent or ability, but to open up for the first time the real merit principle. There is no merit principle if there are false barriers, false discriminations and false disincentives in the workplace. The real place we find merit is when one is judged on one's merit not by who one is or what one is, but what one can do.

Finally, I also believe that this will substantially aid and enhance the basic economic position of this country. It will mean we will be able to utilize and draw upon the full range of incredible talent this country has in all its people and not say to some they are second class citizens. Everyone is a first class citizen and is a first class worker under this legislation.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Madam Speaker, today we have an opportunity to speak to Bill C–64 respecting employment equity. Madam Speaker, I shall, if I may, quote the purpose of this legislation as it appears in the text of the bill.

The purpose of this Act is to achieve equality in the workplace so that no person shall be denied employment opportunities or benefits for reasons unrelated to ability.

The bill consists of four parts. First, it sets out the obligations of an employer and outlines reporting requirements. Part II sets out mechanisms for enforcing employer obligations. Part III deals with the assessment of monetary penalties, and Part IV establishes regulation–making authority and provides for other general matters.

The House will recall that the federal government's first affirmative action programs were set up in 1970, following the report of the Royal Commission on the Status of Women in Canada. However, the report of the Commission on Equality in Employment—the Abella Commission's report tabled in 1984—was to form the basis for current policies on employment equity.

Adopted in 1986, the Employment Equity Act currently applies to federally regulated employers and Crown corporations that employ 100 or more employees. These are mainly employers that conduct their operations in the banking, transportation and communications sectors which, as you know, are under federal jurisdiction.

Bill C–64 will completely change the 1986 legislation, by making it apply to the federal public service, which was not covered before. Considerations to be included in employment equity plans are now better defined. The President of the Treasury Board is to table an annual report. Finally, the Canadian Human Rights Commission will be responsible for the enforcement of the obligations imposed on employers by certain sections.

Of course, this is nothing new.

• (1150)

You will recall that, in a report tabled on May 14 1992, a special committee recommended that the threshold under which the legislation does not apply be lowered from 100 to 75 employees.

The same report recommended as even more important yet that a national employment equity strategy be developed, a strategy that would include a public education program. And this program, in the opinion of the committee and his chairman, was the most important part of all.

This report was accompanied by a minority report from the Liberal Party, presented by the hon. members for York South—Weston and Halifax. This minority report states that: "Maintaining the current threshold of 100 employees, or even reducing the threshold to 75 as recommended by the Special committee, results in legislation that, in effect, imposes a barrier to designated groups members who prefer to be employed in small business settings". As you can see, the minority report even goes further than the special committee report.

Let me quote again from this minority report, where the hon. member for York South—Weston and the hon. member for Halifax tell us the following: "It is our belief that the Federal Contractors Program presents the government with an ideal opportunity to demonstrate its commitment to the principle of employment equity. The message should be clear and unequivocal—if you want to do business with the federal government, you must implement employment equity in the work place".

These two examples go to show that in those days—this was 1992—employment equity was taken seriously. In fact, this special committee report and minority report have laid the groundwork, I imagine, for the bill before us today.

In this context, the Bloc Quebecois believes it is essential to ensure equitable job access to the groups affected by the legislation. We therefore endorse the principle of employment equity. The Bloc certainly supports the inclusion of the public service of Canada within the scope of the act. This was long overdue.

However, the Bloc Quebecois questions the helpfulness of a new governmental measure. As I said earlier, the special committee recommended that adequate resources be provided to the Human Rights Commission, so that it could carry out effectively its new functions. Unfortunately, the Minister of Human Resources Development has stated in a press conference that the commission would have to do more with less. This leaves us somewhat sceptical or at least concerned.

Another difficulty we would like to point out is that employment equity policies should have been adopted a long time ago. They were not. However, the federal government is now in a situation where it must reduce its workforce, which makes it much more difficult to reach equity goals and will limit the impact of this bill to a certain extent.

A bill is a statement of good intentions. However, given the current downsizing of the federal public service, it would be not only desirable but essential for the minister to propose a plan to implement this bill within the public service.

We also remember—as I read a few moments ago in its report—that the special committee had recommended a reduction to 75 employees, while the minority report suggested an even greater reduction. The bill, however, does not provide for such a reduction, even though we think it should.

• (1155)

In conclusion, although the Bloc Quebecois supports the principle of employment equity, we will introduce major amendments in committee in order to help improve the effectiveness of this bill.

[*English*]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, today we gather to mourn the death of an old friend. We lament the demise of a principle that has guarded the integrity and quality of our public service for almost a century.

The rule of merit has produced a level of quality and impartiality in government that has served Canadians for generations. The merit principle directs that jobs and promotions go to the best qualified, most competent people.

The Liberals began to inch the principle of merit into an early grave a decade ago and Bill C–64 will bang the last few nails into its coffin.

No other principle can withstand the scrutiny of elementary justice. Who should the taxpayer hire? Who deserves a promotion? It is the best and the brightest of course. All Canadians from all groups accept this.

If the minister has his way, jobs and promotions will not necessarily go to the best and brightest, the ones who demonstrate these high qualifications. From the moment this bill is passed the public service will pass over many of the best qualified in favour of those with personal characteristics wholly unrelated to the job.

The government will subordinate the principle of merit to the politics of race and of gender. This is in a time of public service downsizing. The field of opportunity will narrow even further for those who stand outside the four designated groups.

Morale is already low. Morale will take a further blow in the next budget but it will sink through the floor with the passage of this act because thousands of civil servants will be denied a fulfilling career even if they deserve it more than their neighbour.

How do we know the members of a designated group? They are self–identified. This bill encourages a mentality of victimization. It encourages Canadians to view themselves as oppressed people who can gain something by viewing themselves as such.

At present two–thirds of Canada's workforce belong to a designated group. The annual report on the Employment Equity Act says that in 1991 almost 2.3 million Canadians reported having a disability, which would be okay, but it is an increase of 30 per cent from 1986.

This government will only be satisfied when all Canadians count themselves in as victims but not all Canadians buy into this mentality. I want to applaud the seven hundred and sixty some thousand Canadians who refuse to even name their ethnic origin in Canada's last census.

Even though "Canadian" was not given as an ethnic option in this census these seven hundred and some thousand refused to be part of a designated group and pencilled in the word Canadian. I digress.

Let us look at the purpose of the bill for a moment. Its purpose is to mandate a representative workforce. Exactly what is a representative workforce? The government ignores Canada's history and its social norms. It arbitrarily demands that the public service reflect—the word reflect means like a mirror—precisely by occupational group the designated groups as they occur in the larger Canadian workforce.

This is representation according to the bill. Is the workforce so unrepresentative that people are suffering injustice? Are Canadian employers so unfair that they would shut whole groups of people out of the labour market? Is there really a need for employment equity in Canada?

There is not when one looks at the numbers. Let me give members an example of the 570,000 people now regulated under the current Employment Equity Act. Women make up 45.6 per cent but the larger workforce is 45.9 per cent female. There is a .24 per cent difference there—what an injustice. Bring out the legislative hammer. The Liberals are on their high horses, hell bent on stamping out this perceived social evil. It is ridiculous. How does this mentality come about? The Liberal government is driven by special interest groups rather than public interest.

Allow me to quote from the Macdonald commission of 1985 which describes the formulation of section 15(2) of the equality rights section of the Constitution. This section empowers the government to deny equality to all Canadians and give preference to women, visible minorities, aboriginals and the disabled.

The commission said that the government incorporated verbatim the feminist proposal for rewriting the new equality rights section. Liberals have always been driven by political expediency rather than what is fair and equitable. This is another example.

• (1200)

Let us look at more numbers. What about the salaries of visible minorities? Visible minority males make 93 per cent of the salaries of all men in the workforce; visible minority women make 96 per cent of what the average woman makes. Ring the alarm bells. Roll out the legislative guns. We will blast this problem with a massive, coercive, manipulative bureaucracy. That is the Liberal way.

The government is suffering a nauseating attack of self–righteousness. It constantly points the finger of blame at ordinary Canadians, accusing them of unfairness and irresponsibility. What about the three million gun owners for example? No matter that they are responsible and law–abiding, they deserve tough legislation. The government assumes them to be irresponsible, suspicious, maybe even dangerous.

If the workplace is not precisely representative down to the last decimal point, the government aims its legislative guns. According to the Liberal government Canadian employers cannot be trusted to be fair to their workers. The government must regulate them more with some heavy–handed laws.

In fact Canadian employers are fair and the numbers show it. When situations of equal choice are compared, when we compare apples to apples, there is no discrimination. According to Statistics Canada, for example in 1992, single women made 99 per cent of the salaries of single men. Other salary differences can be explained by lifestyle choices and choices that prefer family over career. This is not a matter of injustice. It is a matter of personal priority and social norms.

What is the Reform answer? The market, not the government, should regulate the makeup of the workplace. Having a representative work force simply makes good business sense. Companies which do not hire the most productive people, companies that do not hire people that reflect their own markets, will be driven out of the market, and so be it. The market will impose its own discipline on the workplace in the private sector.

What is the role of government in the public sector? The government's role is to ensure equality of opportunity for all Canadians, to dismantle systemic barriers, help with education and make sure that employment information is available, reasonably accommodate for disabilities and make employment testing fair for everybody.

Equality of opportunity ensures that everybody has an equal chance. It creates a level playing field, not a field that is tilted in favour of special interest groups. No legislation is required, no bureaucracy, minimal expense, and no coercive quotas.

I want to address quotas in the context of Bill C–64. Quotas are requirements for hiring certain numbers of designated people within certain time frames. The legislation specifically disavows quotas by name in section 31, but on the other hand it imposes all the elements of quotas in other sections.

The bill sets up quotas in disguise. Let me describe them to you. First, the employer must audit the entire workforce, then establish a timetable for correcting any unrepresentativeness with so–called numerical goals for hiring, both short term and long term, then submit a report by June 1 of every year to the government. The employer is forced by law to consult with the union when it makes its plan.

The plan must include steps that will make reasonable progress toward these goals, and the word reasonable is of course defined by the government body in charge. What is the defining enforcement body? None other than the Canadian Human Rights Commission, that group of new moral crusaders, the witch hunters of political correctness. The act creates a new big brother, compliance auditors, to go over the employers' plans and reports.

If the compliance auditors at the commission do not like the plan, the steps, the goals, the auditor can do a compliance audit. He can walk into the business at any time and demand any confidential documents. The bill even specifies that he can use the employer's photocopier to copy them. Then the auditor gives a summary order to the employer to change his plans.

If numerical goals are not quotas I will eat my hat. If the employer does not like it he can go to a new creation of the act, another one, an even bigger brother, an employment equity review tribunal which can be made up of just one person, a tribunal of one person, but possess all the powers of any other quasi–judicial body in Canada. Its orders have the power of the Federal Court and if the employer does not like what the tribunal says he must appeal to the Appeals Court of Canada. This is nonsense.

• (1205)

The fines attached to this bill are absolutely punitive; $10,000 for the first offence and $50,000 for each one thereafter. All of the elements of quotas are there: the plans, the reporting and specific timetables, the investigations and the sanctions. Last night the human rights commissioner said jokingly: "We hope to be able to get compliance without using handcuffs and billy clubs". That is a nice, perverse joke but Canadians will not find it very funny.

My last point is this. What is the cost of this boondoggle? In the United States where quotas were created in 1970 the cost of affirmative action was estimated at 4 per cent of the GDP, $112 billion U.S. a year. In Canada there are no clear estimates but the Ontario Chamber of Commerce estimates that a company with 500 employees will spend $100,000 just to comply with the paperwork.

This bill is utterly offensive.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, I am pleased to be associated with my colleagues, the Minister of Human Resources Development and the Secretary of State for Training and Youth, in bringing to the House a proposal for the new employment equity act.

We are certain the parliamentary committee that will review this bill will be very attentive to the views of interested people and to various groups on this matter. We are looking forward to the discussions in committee and to the debate in the House.

The Prime Minister had it right when he addressed the French Senate a short time ago. He said that because of the sacrifices and efforts of the women and men who have come from the four corners of the world, we have succeeded in building in Canada a society that is pluralistic and equitable and that is founded on open–mindedness, tolerance, generosity and sharing.

[*Translation*]

As citizens of this country, we can be proud of the progress our society has made. I do not believe that Canadians have finished evolving. Although we have made remarkable progress towards equity, I do not think that everyone has an equal opportunity to contribute fully.

[*English*]

We all know there is room for more open–mindedness, more tolerance, more generosity and more sharing. That is what employment equity is all about. It is a policy of inclusion, not exclusion; of openness, not discrimination; of sharing, not restricting. That is what my hon. friend does not seem to get through his head.

It was in the 1970s that greater attention began to be paid to questions of equity and equality. One consequence was the adoption of the Canadian Charter of Rights and Freedoms. Even before that, Parliament enacted the Canadian Human Rights Act and the first steps were taken toward a policy of affirmative action that became in due course employment equity.

What employment equity seeks to do is to break down barriers to equality in the workplace, that is to ensure that no person is denied employment opportunities for reasons unrelated to ability. At the same time it puts in place measures to assist in creating a level playing field for aboriginal peoples, for persons with disabilities, for persons in a visible minority and for women.

On a wall in Ottawa that is otherwise undistinguished someone has scrawled: "Equal treatment does not equal equality". Employment equity recognizes that truth. Differences must be recognized and accepted if there is to be greater equality. The fact of recognizing these differences and doing something to diminish them does not constitute discrimination, as some may claim. On the contrary, it contributes to the equality of opportunity of all citizens and does not diminish any.

Some examples concerning the four designated groups may explain how employment equity is pursued in the public service and indeed often in the private sector as well. Although women are entering the public service in greater numbers than in the past, they are clustered in large measure in what are called pink ghettos. They are heavily represented in fields such as teaching, nursing and clerical work. Women working full time earn less than three–quarters of what men make. In the public service women constitute about 85 per cent of the administrative support category, the clerical workers, but only about 18 per cent of the executive group.

• (1210)

It was recognized some years ago that if women were to become managers in the public service, they would need assistance in overcoming the barriers they faced. Among the measures put in place was a bureau within the Public Service Commission to help women prepare themselves for tasks that had for a long time been almost the exclusive preserve of men.

Alternative work arrangements were introduced as well. These arrangements vary from tele–work to job sharing. Managers are encouraged to permit all employees to take advantage of these if possible, if it makes sense. Nevertheless, women need these alternative arrangements more because they still carry the major burden of family responsibilities.

Recently the pension provisions were amended so that part time employees could contribute. Again both men and women are eligible, but we know that 26 per cent of women work part time as compared to 10 per cent of men.

These are the fruits of a consciousness that includes employment equity. The progress that has been made, however, still leaves women far from equal. Corporate culture has to change too. There has to be a willingness to encourage the contributions of women and of all employees. That is also a matter of employment equity.

The accommodations made for persons with disabilities would be applauded by all members of the House. The Government of Canada has a policy to make its facilities accessible to all Canadians with disabilities, whether they are members of the public or employees.

A policy encourages departments to provide their employees who have disabilities with the technical aids they need to accomplish their jobs. That policy is backed up with a fund that has been placed at the disposal of the Public Service Commission. As an example, if a person who is visually impaired needs a computer with a voice synthesizer, then one will be provided.

[*Translation*]

In some departments, people with learning disabilities were hired to do work that others might not have found stimulating. The results were outstanding. That is employment equity at work.

[*English*]

In another government department students with disabilities were hired under a special program for two summers in a row. The students acquired workplace knowledge and skills that they might not otherwise have been able to gain. Perhaps even more important, the project has worked to break down the psychologi-

cal barriers that persons with disabilities face. It also served to prove that persons with disabilities can be as productive as other employees. They too have abilities.

This was no doubt what the Governor General had in mind when he said earlier this month on the International Day of Disabled Persons that individuals with a disability are often marginalized by discrimination and that their opportunities are diminished by ignorance. Employment equity exists to open the doors to persons with disabilities so that they too can participate fully in the workplace.

A recent Statistics Canada study showed that among well–educated persons with disabilities, aboriginal peoples and persons of visible minority, the earning gap was closing. Although 1990 university graduates with disabilities earn some 7 per cent less than other graduates, the more important gap is in employment rates. Among university graduates with disabilities the employment rate is 6 percentage points lower than for other graduates. The gap is 12 per cent for community college graduates. Even those with relatively minor limitations have more difficulty in finding jobs than other graduates.

The story is about the same for aboriginal people. Aboriginal graduates from community colleges in 1990 have an unemployment rate that is almost 10 per cent higher than other community college graduates. The playing field simply is not level. There are a number of tools available to level the playing field. One used by the Public Service Commission is to enrich the pool of candidates. You will not have any aboriginal employees if you do not have any aboriginal candidates. You will not have the candidates if you do all the hiring through word of mouth. Even then you may not have a good selection of aboriginal candidates to consider. They may not come forward perhaps because they believe that they would not be selected. Therefore, you need a program of outreach not to guarantee a job but to provide assurances that they can compete with the principle of merit. The principle of merit is paramount in our system in the Public Service of Canada.

• (1215)

Once an aboriginal employee has been hired the manager may find that a certain amount of cultural adaptation is required both in his part and on the part of the employee.

Persons in visible minorities are also under–represented in the public service in comparison with the members in the workforce. Like women and persons with disabilities, persons in a visible minority are of all backgrounds. Some are recent immigrants and some have been here for decades or hundreds of years such as the black people from Nova Scotia.

One of the problems faced by the public service is that although persons in a visible minority are fairly well represented in the scientific and professional category they are not moving up in proportional numbers into the ranks of senior management. A part of the solution was found within the framework of employment equity programs in the form of a special course that we developed through the Canadian centre for management development to help certain people to develop their management skills.

Finally, whether these candidates succeed will depend on their qualifications and ability. The merit principle must govern and the person considered to be the most competent—

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, I am pleased to respond today to the tabling of Bill C–64, an Act respecting employment equity. This bill is important for federally regulated work places. It revokes the current Employment Equity Act adopted eight years ago.

Despite the very laudable intentions behind this first Act, it was harshly criticized by informed observers. The present government is now trying to correct some deficiencies. We certainly intend to help it improve its performance.

During the election campaign, the Liberal Party made three promises on employment equity. First, it promised to extend the scope of the law to federal boards and agencies. It also promised to empower the Canadian Human Rights Commission to conduct legal inquiries on issues related to employment equity. Finally, it promised to require firms that are awarded federal government contracts to comply with employment equity provisions.

So what were we presented with yesterday in this House, Madam Speaker? We were presented with a bill that in effect extends the law to the federal public service, its boards and agencies. It seems that this was the government's first objective. Bravo! The Bloc Quebecois applauds any initiative to ensure equal access to employment for all, including native people, the disabled, women and members of visible minorities.

The Bloc Quebecois also supports the principle of legislation forcing employers to comply with the principle of equal opportunity. Since in our opinion the government must set an example for the private sector, any new legislation had to extend the application of employment equity measures to its own departments. I might add, Madam Speaker, that it was high time.

Bill C–64 also empowers the Canadian Human Rights Commission to determine whether the provisions of the legislation are being complied with and to investigate the enforcement of the law. It also establishes an employment equity tribunal when circumstances warrant it. That is all very good, Madam Speaker.

It appears, however, that the government's third promise, concerning the application of the law to all government contractors, will not be kept. I will return to this point a little later in my speech. As you might expect, we appreciate the government's effort, but everything is not perfect either.

A committee will review the bill, but I would like to raise a few points that struck me. First of all, as I just said, I am disappointed with the lack of provisions concerning government contractors. The bill in no way extends the law to this category of employers, and this is regrettable.

• (1220)

Indeed, at the very beginning of the act, a "private sector employer" is defined as "any person who employs one hundred or more employees". You can understand my disappointment, as well as that of many observers. Why does that act not apply to other private sector employers who win contracts for which they are paid with public money? Should we not ensure that taxpayers' money be used in places where employment equity is valued and respected? I believe so, but this government seems to think otherwise. We will get back to this issue in committee.

I also wonder about the delays in tabling these legislative amendments. Why did the government wait for more than one year after the swearing–in of the new team to amend the act? It is certainly not because of the deficit, since this bill, unlike others, has virtually no financial impact on public money. This legislation is primarily one of a moral nature; it could have been introduced early, to emphasize the importance of the social justice which we seek to establish.

This delay is also unfortunate because, in the current context, the new legislation will definitely not help achieve employment equity. Just think of the hiring freeze, of the fact that employees cannot move on to the next salary step, and the massive reductions in the federal public service. This is unfortunate and we deplore this situation. In spite of its laudable objectives, the new legislative policy will not give results before many years, thus once again hurting the same categories of people.

Previous employment equity policies have had a very limited impact. For example, over a period of six years, the number of promotions for full–time employees in all private sectors of activity improved a mere three per cent in the case of women, 0.49 per cent for aboriginal people, 1.11 per cent for handicapped people, and 3.82 per cent for members of visible minorities. These are, in my opinion, very poor results, considering that the act has already been in effect for eight years.

The figures are not much better when it comes to recruiting. Indeed, the situation improved by 2.4 per cent for women, 1.30 per cent for aboriginal people, 0.98 per cent for handicapped people, and 2.91 per cent for members of visible minorities.

As for the public service, in 1986, Treasury Board adopted a policy reflecting the spirit of this legislation, but as far as representation in management positions is concerned, aboriginal people still represent only 1.1 per cent of the total number of public servants; persons with disabilities, 2.1 per cent; members of visible minorities, 2.1 per cent; and women, 15.8 per cent. The situation is clearly not any better in the federal Public Service than it is in the private sector, hence our conclusion that the measures that have been in place so far have not improved the participation of members of designated groups.

According to the statistics, very few members of these groups are in senior management positions and women still work mostly in office jobs, sales and services. So the situation is far from ideal, as the minister pointed out earlier.

I think we will have to examine the available information very carefully to determine why previous policies did not work.

In concluding, the Bloc Quebecois welcomes a bill that broadens the application of employment equity measures to include the entire public service. However, we believe the bill could be significantly improved so as to obtain better results and meet the objectives of this legislation. We will gladly make suggestions to the government during consideration of the bill in committee.

[*English*]

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Madam Speaker, I welcome the opportunity to talk to the House today about the need for and the many benefits of the proposed amendments to the Employment Equity Act. Once read, once well understood, if people are familiar with the history of how this has all come about, there is no need for the fearmongering and the falsification of information going on here today.

It should be stated clearly that what the employment equity legislation does is reinforce the merit principle. It states that very clearly. That may be a bit problematic to some because I guess some would feel a bit more comfortable knowing that there are flaws and gaps. Really what we have done is given prominence to the merit principle. Not only that, we also looked for a balanced approach of trying to integrate the four target groups in a very enforceable way into the whole labour market and also to express equity as it should be.

• (1225)

I do not think there is any fear with all these people fearmongering about their jobs, including the hon. members across the way scaring people by saying that what is going to happen if we do hire disabled people, women, aboriginals and visible minorities is that these people will not be hired meritoriously.

This is erroneous and this is clearly discriminatory. It is an assumption, a false assumption. Because those four target groups are going to be aided by this legislation, it is perfectly acceptable that this happens considering the gross under–representation of those groups. It is a wrong that has not been corrected.

There have been many barriers. There have been many obstacles and this is a step forward. It is needless for people to put fear in the hearts of those people who have jobs out there, particularly those people who are highly placed.

Members need not worry because these four target groups are so under–represented as of yet. It will take such a long time. It will still be such a big struggle. This will make it easy but it is not going to be just the legislation that is going to make it happen.

Unfortunately some of the greatest obstacles we will have are attitudes of people. We can put legislation there to help but unfortunately we cannot change the minds of all those people who are otherwise inclined.

The equity is not simply the subject of ideological debate for me and many other members of this House. For those of us who are women, members of visible minorities, persons with disabilities or aboriginal people, employment equity is fundamentally about democracy. It is the freedom to exercise our rights to participate fully in the political process, to make contributions to the economic and cultural fabric of our nation.

Employment equity means ensuring that all Canadians have a fair chance in the workplace. It ensures that no person is denied employment opportunities for reasons unrelated to ability. It involves identifying and eliminating barriers, taking special measures and making reasonable accommodations.

As was stated by the hon. member, there are no quotas. For instance, if 25 per cent of the population is aboriginal in a said province and there is a thousand–person company and there is not one aboriginal person, is it not reasonable to assume that company or other companies like it would want to achieve that kind of representation of that population? That is not unreasonable. That is not discriminatory. That is perfectly logical, perfectly acceptable and it is the way things should evolve if we are to show the dignity and the respect of one another as human beings.

It also talks about equality, the opportunity of equality. That seems to fail some people. In short, employment equity means ensuring that employment opportunities are open to those who have historically been arbitrarily excluded. We need not go into the figures. We all know what they are. It is a fact that is well known to many of us, including hon. members opposite.

This bill is a fulfilment of this government's vision of our country, one in which each of us has equal access to employment opportunities and a chance to fully share in Canada's prosperity. Why should some people be on the periphery of prosperity? Why should they not be sharing in the wealth of this country in terms of jobs, promotions and training? Why not adopt this legislation fully? All members of the House should see the historical isolation and marginalization of target groups in our population and that those who need a helping hand and logical reasoning, those who need that acceptance, should be accepted.

• (1230)

By strengthening the employment equity act we are reconfirming the core values Canadians hold dear: fairness, decency, and equality for every citizen in this nation. Canada is known around the world for that. We are citizens of the world. We are recognized for that. Why would we not enhance that within our own country?

Equality does not come easily in Canada. It is a source of national shame that as recently as the 1950s the first peoples of this country were subject to laws which prevented them from leaving reserves without a bureaucrat's permission. It is a known fact that our people were going to war and fighting for this country as First Nations people and they did not have the right to vote. Women were not even considered persons in the eyes of the law until October 1929 when women won the famous Persons case and gained the right to become members of the Senate.

According to the 1993 annual report on employment equity we still have not come close to attaining our goals. According to the most recent census aboriginal peoples continue to be under–represented in the workforce at just 1.04 per cent compared to 3 per cent in the Canadian workforce.

Aboriginal people continue to occupy the lowest paying jobs. The wage gap between aboriginal men and women working full time and other Canadians has actually increased since 1987. Mind you it should be noted by all members of this House that aboriginal people on average still make an annual income of $10,000.

Aboriginal participation in the workforce has risen by less than .5 per cent since employment equity came into effect. This is even though the number of employable aboriginal people rose by almost 50 per cent during the years 1986 to 1991.

The plight of persons with disabilities is not much better. The representation of this group in the workforce has changed very slowly. They are equally under–represented in the labour market especially given that the number of Canadians with disabilities increased from 5.4 to 6.5 per cent of the population over the same five year period.

It is simply unacceptable that today in Canada a woman still earns only 70 per cent of her male counterpart's wages, or that a person of colour is denied a promotion on the basis of his or her skin colour.

The litmus test of Canadians' commitment to true equality is access to employment. Jobs are the key to social and economic integration into the community. They are a source of fulfilment and independence for all Canadians. As the Prime Minister would say, a job gives you self–respect and dignity. Jobs are part of this government's agenda.

Employment equity ensures that those jobs will be available to everyone without any barriers. By the turn of the century two–thirds of the entrants to the workforce will be women, aboriginal peoples, members of visible minorities and persons with disabilities. This country needs the wealth of their talents.

With this bill we want to achieve a better balance that works to the advantage of all Canadians. This legislation does not set out to redress the difficulties being faced by disadvantaged groups by creating new problems for other Canadians. The amendments are designed to clarify and strengthen existing laws, not to increase the regulatory or financial burdens to employers.

Madam Speaker, I know I am out of time so I will skip a great deal of what I had to say which I think was also important. I will conclude by saying that by assuring equal access to employment and fair treatment of all, we can and will build a better nation for our children, for our families and for all Canadians.

Remember that 60 per cent of the Canadian population is constituted by these four target groups but they are not adequately represented. It should be noted that we are talking about fair representation, not under–representation. We are talking about equality of opportunity.

• (1235)

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, I am pleased to rise to address Bill C–64, an act respecting employment equity.

Reform opposes this type of legislation and I certainly oppose it. Affirmative action by any other name is still affirmative action. It leads to the creation of special designation groups and causes reverse discrimination as the process of merit hiring is forced to take a back seat to artificially created criteria.

The annual report of employment equity for 1994 clearly shows there is no need for this legislation. Visible minorities represent 8 per cent of the workforce governed by the current act compared to 9 per cent of the entire Canadian workforce. The report also states that women represent 45 per cent of the workforce covered by the existing act compared to 45 per cent of the entire Canadian labour force. These two facts alone show that a hiring process unencumbered by government regulations is able to adequately address this issue.

In our lifetime let us admit it, we have seen terrible inequities. Going back to the thirties and forties, there have been gross inequities in our social system but they are being corrected over the years. Human dignity and human will are creating the redress.

I find it amazing that this government feels a need to interfere with the free job market which is working well when it fails to use the same urgency to address real issues like the debt and the deficit. Why do I say the government is acting with urgency? This bill was tabled in the House yesterday, shortly after 1500 hours. The ink on that official document could hardly have been dry at the time. I did not get to read the bill until this morning. Yet here we are less than 24 hours after its introduction being asked to debate the bill's merit. That is acting with a sense of urgency but I think it might be more accurately described as an abuse of the democratic process.

I saw the converse in this House this morning when my colleague, the member for Lethbridge, was speaking on Motion No. 13 and wanted to continue debate on it. Those on the government benches said: "Oh no, we cannot do that. We did not have enough notice". They had 48 hours' notice to continue debate but that was not sufficient for them.

Why the urgency on this bill? I do not know. Are the Liberals afraid to have the complete details of the bill brought to the attention of the Canadian public, or are they simply afraid to tell Canadians about the bureaucratic maze which has to be created by this bill?

One thing I do know is that the business people in my constituency are fed up to the teeth with government bureaucracy, with more and more taxes and more and more regulations to adhere to and forms to fill out. Canadian employers are already deluged with government imposed paperwork.

That burden is increased even more through clauses 9 to 18 of this bill which call for the collection, analysis and review of their workforce leading to the preparation of an employment equity plan, complete with long term and short term numerical goals. There is also the requirement that an annual report on employment equity be filed with the minister. Let us look at the bill.

Clause 9 states that for the purposes of implementing employment equity every employer shall collect information and conduct an analysis of the employer's workforce in accordance with the regulations in order to determine the degree of under–representation, et cetera. It goes on about conducting a review of the employer's employment systems, policies and practices in accordance with the regulations. It is only those employees who identify themselves or agree to be identified by employers as aboriginal peoples, et cetera.

• (1240)

Clause 10 indicates that employers shall prepare an employment equity plan that does this, that and the other thing.

Let us look a bit more at this bill which will totally discourage private enterprise. It will specify the measure to be taken by the employer. It will establish a timetable for the implementation. Where under–representation has been identified it will establish short term goals. It goes on and on and on.

Clause 11: Every employer shall ensure that its employment equity plan would, if implemented, constitute reasonable progress.

Clause 12: Every employer shall make reasonable efforts to monitor implementation.

Clause 13 indicates that every employer shall update numerical goals at least once during the period.

Clause 14: Every employer shall consult with his employees by inviting representatives to provide their views.

It goes on and on and on. Thirty pages of bureaucracy imposed on employers around this country. Have I said that they are already deluged? Well they certainly are. All these measures will only serve to undermine the productivity of Canadian business as executives are forced to spend even more of their already limited time on needless government paperwork.

Clause 21 of the bill creates employment equity compliance review officers, or to use a less politically correct term, an affirmative action army. This army has the authority to enter any business which it feels is contravening the act and demand documents and the co–operation of the employer and staff. On reading part II of this bill I thought George Orwell would be very proud as big brother takes yet another step into our lives.

Clause 25 creates the headquarters or the command post for the affirmative action army with the establishment of an employment equity review tribunal. More bureaucracy and more tax dollars dropped into the bottomless pit that is the national debt. This government continues to talk fiscal restraint yet its actions do not match its words.

I would go further into the analysis of this bill but the government's haste to ram it through prohibits any more thorough examination.

In my own riding, residents of the city of Nanaimo are well aware of the adverse effects of this type of legislation. Several years ago the city implemented pay equity which resulted in an immediate and significant tax increase. It also has a lasting effect on the taxpayer in that the result is that the annual salary for an entry level employee will soon reach $30,000.

Another example of this type of policy was brought to my attention recently by a constituent. This young man is an exceptional student in a technical program at Malaspina College. His high marks caused the institute to nominate him for a federal scholarship. While his marks qualified him for the award, his gender did not.

The scholarships are handed out on the basis of gender. Since Malaspina did not have a female student with appropriate grades the qualified student was refused and both scholarships were given to another institution. This is the type of reverse discrimination this sort of legislation will create.

I will wind up if my time is up. Hiring policies should not be based upon race, culture or gender. They should be colour blind and gender neutral. If ever a bill epitomizes the difference in philosophy between the Liberals and I might even say the NDP and the Reform Party, this is it.

Canadians are hard pressed for programs they want and they cannot afford to pay for programs we do not need. In the interests of the already overburdened taxpayers, I urge the government to abandon this nonsensical legislation.

• (1245)

Ms. Marlene Catterall (Ottawa West, Lib.): Madam Speaker, it is evident that the member who has just spoken is rather ill informed because he has just quoted provisions that have been in legislation for over seven years, suggesting to the public that they are new provisions, some new burden.

I think he has also failed to point out to Canadians that the minister has taken the unusual step of giving an extra stage of debate on this bill, not curtailing debate, by having this discussion in the House before referring it to a committee where it will be subject to full, open discussion and consultation and will come back to the House for at least two more stages of debate. I do not know how much more open a process can be.

One of my proudest accomplishments during the last Parliament as a member was to be able to move in committee and have accepted in this Parliament amendments to the Financial Administration Act and the Public Service Employment Act that required the Public Service of Canada to live by the same rules with respect to employment equity that the act imposes on private sector employers.

It was done in this simple way, by embarrassing the government, by saying for over five years now you have had regulations imposed on the private sector that you refuse to live by. If we want to set an example as government, we have to be prepared to say that there is one set of rules for everybody. If it is good enough for the private sector it is good enough for the public sector.

The member should applaud what this bill does. It precisely says that there is no longer one legislation for the private sector and another for the public sector. We are all going to live by the same rules with respect to employment equity.

The legislation on employment equity has been in place since 1987.

[*Translation*]

Despite considerable progress, most aboriginal people, women, members of visible minorities and persons with disabilities who do have work continue to have low paying jobs. More specifically, employers and employees know they are not enjoying the many benefits of employment equity. In fact, diversity is a way to enhance the work environment and thus increase productivity.

By expanding the application of this legislation to the federal public service, we will provide many opportunities for persons with disabilities, members of visible minorities, aboriginal people and women.

[*English*]

Notwithstanding the howls from the Reform members who wished to hang on to the privileges that people just like them have enjoyed for a long time, this legislation is not about introducing bias. This legislation is about removing bias in hiring and retention of employees and in promotion. This is not about abandoning the merit principle. It is about reaffirming and fulfilling the merit principle.

For 75 years we have had in the Government of Canada the principle that you get hired on the basis of your ability and no other. Despite that we have a senior management category with less than 18 per cent women. There are the lower echelons of the lowest paid workers, 80 per cent women. Even within those lowest paid categories, guess who rises to the top in those lowest paid categories? It is not the 80 per cent of employees in those categories who are women, but mostly men.

There are numerous examples. We only have to look at the statistics of the number of referrals for employment in the public service last year; for example, 8.2 per cent referrals for positions. These were people who had already been screened as qualified. There were 8.1 per cent of a visible minority, but only 2.5 per cent of hirings were of a visible minority. There is a bias operating there and we have to take a great deal more time than we have today to look at why that is.

• (1250)

Let me touch some highlights. There are perceptions and attitudes: "I have always seen a certain kind of person succeed and fit well into management and therefore that is the kind of person I want to hire". These are not deliberately, consciously biased attitudes but they are attitudes that clearly influence who gets hired, who gets the opportunities to train, to get promoted, to get career development opportunities.

It affects the other side in terms of who applies. We apply for jobs where we see ourselves fitting in and succeeding. Unfortunately most women, most aboriginal people, most people with disabilities, most people from visible minority groups have not seen themselves being hired and progressing to the upper echelons in the public service.

The working environment creates an atmosphere in which one either flourishes or does not. Our working environment has not been conducive to people of different backgrounds being hired, being promoted, fitting in well and moving up the ranks.

We know that in a time of downsizing it is going to be extremely difficult to achieve some of our targets in the public service, to really move to a public service that is more representative of the taxpayers of Canada and of the people we serve. We all know that understanding our clients is an important part of being able to serve them well.

We have to make this effort notwithstanding hiring freezes, downsizing and so on. Twenty–five hundred people were hired in the public service last year. There were tens of thousands of promotions, movements, development appointments, and that is where we can certainly make some progress.

I mentioned this bill will be going to committee. We are not here to debate even approval in principle of the bill. The minister has chosen to forego that, to get that whole issue in front of a committee for examination of the bill, so it can save the time and money of duplicating effort to consider a bill and also to conduct a review of the existing act.

I want to make some suggestions to the committee as it receives this bill and considers it. I really have a hard time justifying to myself why the armed forces, the RCMP and CSIS are exempted from this legislation unless they are included later by order in council. I am sure there are private sector employers who have equally valid reasons to feel they should be exempted, but we have chosen not to do that. I urge the committee to look at that.

I urge the committee to look at defining compliance and to ensure that compliance is not simply depositing a report. I urge the committee to look at contracting, because we are now developing a shadow public service through contracting that has no obligation to pay attention to the merit principle or to employment equity or to a number of other government policies. Let me cite one case. I am aware of a man and a woman employed through a government agency to do exactly the same kind of work with exactly the same kind of qualifications. Earning a $100 difference, guess who was earning the lesser amount?

The purpose here is improving, giving everybody the opportunity to participate fully in the economic recovery this country is heading into. I want to point out that we are talking here not about privileges for minorities. We are talking about equal treatment. Unless the Reform Party cares to make the argument that inherently women, people of colour, people with disabilities, aboriginal peoples are less capable, then it can only accept the reason they have not progressed in the public service or in the private sector is some inherent preference for a different kind of candidate.

We are talking about the majority of Canadian workers and giving that majority who fit in one of these categories equal opportunity to succeed and to prosper in the Canada of the future.

• (1255)

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, it is with pleasure that I rise today to speak on Bill C–64. The purpose of this bill is to achieve equality in the workplace and to correct conditions of disadvantage experienced by certain groups, including women, aboriginal peoples, persons with disabilities and members of visible minorities.

This new act will replace the existing act, which was passed in 1986. It will apply to federally regulated employers and Crown corporations that employ one hundred or more employees.

The bill will extend the scope of the legislation to include the public service of Canada. It is a good idea to extend the scope of such a major piece of legislation. Perhaps it should be extended to all employers in the private sector, all employers in the public service of Canada and all portions of the public sector that employ not 100, but 75 employees, including the Canadian Armed Forces, the Royal Canadian Mounted Police, Parliament and every federally regulated agency, commission and board.

The legislation requires the employer to implement employment equity by either eliminating barriers against persons in designated groups or by making such reasonable accommodations as will ensure that these persons achieve a degree of representation that reflects their representation in the Canadian workforce.

However, the obligation to implement employment equity does not require an employer to take measures that would cause him or her undue hardship.

This means that the employer is free to comply or not. With the help of legal counsel, the employer can easily demonstrate that hiring a person with a disability, for example, will cause undue hardship. The onus will rest with the employee. Who will dare challenge an employer who does not comply with the act?

We cannot say that much progress have been made in terms of employment equity since 1970, after the Commission of Inquiry on the Status of Women in Canada tabled its report. In fact, hardly any progress has been made.

Later attempts, in 1984 and 1986, were scarcely more successful. In 1993, aboriginal people accounted for some 2 per cent of the federal public service workforce; persons with disabilities, 3 per cent; members of visible minorities, 3 per cent, and women, 46 per cent, but were confined in lower–paid and precarious jobs.

Women account for only 17 per cent of the executive group, while the disabled, Natives and visible minorities have not yet reached the executive level. Representation is almost nil. The majority of them hold office, sales or service jobs.

It is too little too late, as the new legislation does not set any specific objectives for the department. Everything is left to the minister's discretion. This is a government panicked by unemployment, an increasingly challenged social program reform, phoney pre–budget consultations, casual budget preparation, cuts in essential services instead of fat–trimming, a caucus divided on several issues, including the Young Offenders Act, the firearms registration legislation, the amendment to the Canadian Charter prohibiting any form of discrimination based on sexual orientation, whether or not Quebec members should get involved in Quebec's referendum debate, the next Cabinet shuffle where many are called but few are chosen, and an anti–scab bill which is not forthcoming. I could go on and on about the differences of opinion within the Liberal caucus only a year after they came to office.

• (1300)

So the government tried to regain its prestige by introducing a bill. This employment equity bill, however, still creates dissension, the minister aiming for the status quo while other members join the Bloc Quebecois in asking the government to broaden the scope of the Employment Equity Act.

The guiding principle of the bill should be that anyone working for, subsidized by or doing business with the federal government or one of its boards, agencies or commissions is subject to the bill. We must go further. Employment equity policies should have been adopted a long time ago.

The minister thinks he can meet his objectives while the federal government is cutting its workforce. He will have trouble carrying out his plans in this era of cutbacks and hiring freezes. The minister's pensive expression in this morning's newspapers explains everything. In addition to the reform being

challenged, he is now faced with a bill showing his intention to maintain the status quo.

A sovereign Quebec will defend vigorously equal opportunities for women, disabled, natives, visible minorities and men.

These groups are still far from occupying their rightful places and enjoying the same conditions in most areas of public life. A higher proportion of these groups live in poverty. Their income remains lower than that of men, in general.

A sovereign Quebec will resolutely fight poverty by going to the root of the problem. Yes, it is possible to break the vicious circle of poverty and dependency, provided we increase employability without making distinctions between categories of people.

Why do we have to implement an act to restore a natural right? These people are victims of the current political system, with its inconsistent tax measures affecting the groups targeted by this bill, and duplication, because two levels of government operate in fields such as manpower training and family support.

Through sovereignty, Quebec will be able to patriate and restructure programs, so as to develop an efficient and consistent policy for these groups, namely women, aboriginal and disabled people, as well as visible minorities.

It goes without saying that the scope of the act must be extended. The federal government must really take concrete action regarding this depressing climate of discrimination experienced by women and the other groups targeted in the legislation. This part of our labour force has the right to take its place. We must strive to achieve equality and social justice. This is why the Bloc will introduce amendments to this bill, when it is examined in committee.

[*English*]

Hon. Roger Simmons (Burin—St. George's, Lib.): Madam Speaker, I too want an opportunity to elaborate on some features of the legislation before us. I say to the minister that I am proud the government has tabled such progressive amendments that I believe will strengthen the Employment Equity Act.

• (1305)

The changes proposed will assure fair and equal treatment for millions of disadvantaged Canadians. These amendments offer the hope of better times for women, for persons with disabilities, for aboriginal peoples and for members of visible minorities.

Since the adoption of the Employment Equity Act there has been significant progress in making the workplace more inclusive of all Canadians. It has been proven that employment equity can promote fairness and equal opportunity in the world of work. The present legislation was a good beginning but has not kept pace with the times, and hence the need for the amendments now before us.

More and more Canadians are members of designated groups, yet the sad fact is that despite the increase in their numbers their opportunities have actually decreased. For example, the latest annual report on employment equity indicates that in 1993 the number of employees covered under the Employment Equity Act actually dropped by 4.27 per cent or by 26,000 jobs across the country.

According to the statistics for 1994, 74 of the 348 companies covered under the Employment Equity Act 74 or 20 per cent had no aboriginal employees at all. There were 65 of those companies with no provision for persons with disabilities on the payroll and 28 of those companies had no visible minority members working for them. There were still four employers with no women on their staffs. This is in a country where 52 per cent of the people are women.

Can we fathom any company of any significant size not even bothering to address that question? Were I malicious—and you would know, Madam Speaker, that I could never be malicious—I would wonder aloud whether such an exclusion of women by those four companies was not deliberate. How could they manage in a situation where half the available workforce is women to hire everyone but women unless they worked at it? Hence the need for the kinds of amendments we are talking about today.

Obviously much more remains to be done if we are to live up to the values of fairness, decency and equality which form the foundation of our society, our system of values in the country.

We need to bring the act into the nineties to reflect our current reality and to prepare us for the century ahead. That is precisely the kind of country we as a party promised Canadians when we wrote "Creating Opportunity".

The amendments before us are the fulfilment of our red book commitments. We said that we would bring the federal public service as well as federal agencies and commissions under the Employment Equity Act. We are doing that with this legislation. We said that we would empower the Canadian Human Rights Commission to initiate investigations and conduct workplace audits to ensure enforcement of the legislation. We are doing that. We said that we would ensure federal contractors would be subject to mandatory compliance with the principles of the act.

• (1310)

Mr. Williams: Quota.

Mr. Simmons: The member for St. Albert is having difficulty because he sees quotas. I say to him that he is in the House of Commons because of a quota system. We did not just go out to all Canadians, elect a bunch of people and send them to Ottawa. The act which gives him the right to be here is a quota system as such. His constituents in St. Albert get one member of Parlia-

ment, not one and half, two or three. I say to him that is called quota.

He is right. He must have been up bright and early this morning. He recognizes this business here as a quota system and he is absolutely dead right. I assume from his intervention that he is so anxious to support the legislation he cannot wait for me to finish.

Mr. Boudria: He must be. I can tell.

Mr. Simmons: He must be. With the bill we will deliver on the promises in the red book. Does that come as any surprise?

Mr. Williams: Not a bit.

Mr. Simmons: Once again the authors of the red book are delivering on the promises in the red book.

We used to sing in the church I am proud to be a member of: "Every promise in the book is mine". We are talking about another book here. I do not want to be sacrilegious, but I am sure members get the point. We identify with those promises because they are promises we fabricated in opposition having listened to the people and without any 1–900 lines. We did not have them pay to get through to us. We listened and they told us they had some concerns about employment equity, our subject today.

We heard them and we incorporated those concerns in commitments. We ran on that basis. We were elected to a majority government on that basis. We are back here this afternoon as we have been several other mornings and afternoons to say to the people of Canada: "Here is another example of how we want to honour the commitments we made to you back in October a year or so ago".

While today we deliver on some promises, we believe we must go even further. The Canadian Human Rights Tribunal, constituted as the employment equity review tribunal, will hear appeals from employers to resolve disputes and to assure compliance with the law.

Let me remind the House that the changes to the act are in direct response to issues raised by both the designated groups and by businesses. Disadvantaged Canadians complained to us there was not enough compliance with the legislation. Accordingly we have given new authority to the Canadian Human Rights Commission to conduct audits of employers to verify and gain compliance with the act.

Mr. Williams: Quotas.

Mr. Simmons: For my friend from St. Albert, let me decode that. We have given new authority to the Human Rights Commission to enforce those terrible quotas, the very system that sent him to the Chamber. We are going to enforce it on behalf of some other people, many of whom are his constituents.

I venture to say there are some women in his riding who could benefit from the legislation, women who have been excluded effectively from employment because of some unwitting employer. Maybe he has some aboriginal people in his riding. I do not know it well but there are probably a few of them who could benefit.

I see the Chair is getting impatient because I am running the clock again. I had all these other wonderful things I wanted to say for the edification of members of the House. More to the point, I say to all who are watching and listening that the legislation is a good piece of legislation. It will take us that extra step toward assuring employment equity for the designated groups, for the women I have mentioned and for other groups that were mentioned during the debate. That is why I appeal to my colleagues of whatever party to find it in their hearts and minds to give support to this good piece of legislation.

• (1315)

Mrs. Diane Ablonczy (Calgary North, Ref.): Madam Speaker, since this is a very new piece of legislation, for the benefit of those Canadians who watch the proceedings of the House of Commons and I know there are a number, I would like to go over one more time what the legislation is about.

This is Bill C–64. It is an act respecting employment equity. The summary says that the purpose of this bill is to achieve equality in the workplace and to correct conditions of disadvantage experienced by certain groups. The bill applies to the Public Service of Canada, to federally regulated employers, and to such portions of the public sector that employs 100 or more employees.

The bill talks about employer obligations in clauses 5 to 15; records and reports, a rather ominous sound for a lot of employers, in clauses 16 to 20; compliance audit in clauses 21 to 31; assessment of monetary penalties in clauses 31 to 37; and regulations in clauses 38 to 41. It then talks about changes to other acts that will be necessitated by this legislation should it be passed.

This is fairly significant legislation with real impact on a number of employers in our country.

It important to point out that the word equity which is the feature of this legislation simply means fairness. Government members have been playing the violin a great deal this morning about how wonderfully fair this is and how we should all be committed to fairness. I am sure that every single Canadian would applaud fairness in our country. In fact something that Canadians are noted for is a real commitment to fairness.

On behalf of the people of Canada whom we represent and whose affairs we are supposed to be managing we need to analyse whether this legislation delivers on the promise of fairness.

One of the real problems with this legislation is that what it does is unfairly and to a large degree increase the interference of government in the lives of citizens, particularly in the lives of citizens trying to keep businesses going, and trying to deliver jobs for Canadians.

First of all this legislation interferes with employment choices. It suggests that for every sector of employment there has to be proportional representation in four designated groups. It says to employers that they have to hire certain people from certain groups if they are to comply with these government legislated proposals. That is a clear interference in fairness for employers to be able to hire who they think will do the best job for them.

Second, it interferes in the principle of equality before the law. What it essentially says is that you do not have as equal a chance at a job as you would if you belonged to one of four designated groups.

I had a personal experience in my riding with a young man who was trying to be admitted into the RCMP. His applications were denied until in discussions with his family he discovered that he had some aboriginal background. Because of this suddenly he became more qualified to enter the RCMP. In fact today he is a member of the RCMP. It is very interesting how merit, qualifications and choices depend on certain genetic traits rather than merit. That certainly is not consistent with the principle of equality before the law.

• (1320)

Third, the legislation interferes with the administration of business in the country. This legislation and all employers that will be affected by it, which is a vastly expanded group, should look at this very carefully. I am sure they will be. They will now have to produce employment plans to satisfy certain criteria.

There will have to be regular reports to bureaucrats who will be very anxiously combing them to make sure they are correct and fulfil all the obligations. There will be compliance audits on a regular basis of these businesses to make sure employers are doing the correct thing.

There may be some appeals from bureaucratic decisions that come out of these reports and audits. There will be an ever–expanding group of regulations that will have to be complied with. It is no wonder that businesses are fatigued and why job creation is lagging behind the demand for it. With all this paperwork, regulations, proposals and requirements, how can a business get on with business? Some days you wonder.

Also this legislation sets out a great deal more bureaucracy. This is a time when governments do a great deal of their work with borrowed money, by mortgaging our future and here we have yet another bureaucracy set up in the furtherance of fairness.

Nowhere in the legislation are the cost benefits set out. Nowhere in the legislation are Canadians told how this is all going to be paid for. It is their money that is being spent. They have a right to ask, is the money I am being asked to cough up for this proposal justified by the public good that is going to be done. That is an issue that needs to be debated.

Clearly it is going to be an interference in productivity of business. This is another regulatory and governmental burden being added to all the other reports that have to be made by businesses to government. It is another government regulation, another interference into the lives and work of business people.

If we want to provide Canadians with jobs, jobs, jobs how are we going to do it when we have all of these social engineering mechanisms built into our economic sector? Does this make sense and does it really benefit Canadians?

The last thing I would like to talk about is the social consequences of this type of legislation. Unfortunately it says to Canadians what is important in the economic sector is not your qualifications, it is not your merit, it is not your competence, it is not your ability, it is not your drive, it is whether you are a victim. It is what group you belong to. It is whether you can show somehow that you are disadvantaged. Is this what we want people to be thinking about?

I understand that Tommy Douglas was not very tall. I have always felt really good about him because of that for some obvious reasons to people in the House. Sometimes Mr. Douglas was teased about the fact that he was not very tall. He had a good answer to this. He used to say: "Where I come from, we measure people from here up", indicating that it is what is in your mind, what is in your head, your intelligence, ability and competence that is important. It is not your height.

I would suggest to members that what is important to us is what we have in our hearts and our ability and not what colour our skin is, what our gender is or what disability we might have—

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the hon. member.

• (1325)

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Madam Speaker, I am delighted to speak to this bill before the House, an act respecting the Employment Equity Act.

I support the bill because the principles for which it stands are very sound. Moreover we anticipate that the provisions and the regulations that will emanate following the study of this bill will be sound in practice as well.

In essence, the Employment Equity Act is challenging us to put into practice the principles that describe the core values of Canada. The values about which we are speaking relate to the merit principle, to excellence, to human dignity, to respect, to the very core values that Canadians hold dear, to fairness and equality.

I heard earlier there was concern that we would only address the victims as though the victims have no talents, as though the victims have no competence, as though the victims have no excellence. The very essence of the Employment Equity Act is to hold very high the principle of excellence and merit above all else, irrespective of colour, irrespective of gender, irrespective of disability and irrespective of origin as a people.

Mr. Hill (Prince George—Peace River): Not in this bill.

Mr. Pagtakhan: Yes it is. It is about equity. It is about the equitable representation of those with talents in the workforce because for a generation Canada has failed. Therefore, the Liberal government of the past and the Liberal government of today are again trying to reinforce the fundamental principles that govern this bill.

In the process of addressing the legislation, I would like to reiterate that the bill can be looked on as a legislative centrepiece of our core Canadian social values, social equity among all of us.

I have mentioned the operative principles of the bill. What does it achieve, we may ask. I submit that we will achieve effective utilization of one's talents and one's skills. It will ensure businesses will provide better client service and therefore better and good business for the employers. By achieving this we will create harmony among all of us. There will be no feeling of being a second class citizen because of one's disability, colour, gender or aboriginal origin.

Who will question, and why should we question, if we can enhance the maximum productivity of all peoples with talents, that we should not utilize them and get them into the workforce, by applying the principle of fairness.

I submit that by adopting the principles of this bill we will be able to benefit not only the designated groups as defined in the bill, not only the visible minorities, not only the people with disabilities, not only women, not only aboriginal people. We will benefit everyone. Therefore, this is a bill for all Canadians to consider.

That is why the bill has seen to it that in addition to the private sector, the public sector will now be covered so that the government is setting a model. To ensure that we give teeth to what we believe, to ensure that we give enforcement to what we would like to happen, the Canadian Human Rights Commission will be mandated to have this authority.

However, the work of the Human Rights Commission will not be in an adversarial fashion. It will be done within the spirit of co–operation and collaboration.

• (1330)

Therefore when we see our armed forces, the RCMP, our security intelligence service agency being covered under the act, to me this is a social blessing and the time has come. It will ensure that we achieve the purpose for which this act was first enacted, to ensure employers achieve a workforce that is equitable and representative of the four designated groups.

As chair of the Standing Committee on Human Rights and the Status of Disabled Persons to which this act will be referred by the House, I am delighted to serve on that committee. Our committee will ensure that there will be open and inclusive discussion and participation of all, that any matter referred to in the bill will be addressed, utilizing a wide consultation.

We would like to hear from all groups concerned. We would like to hear from the minister, from the department officials, from departments of government that are involved in the delivery of this program. We will invite the opposition to articulate its views to us on this issue, so that together we can shape a truly equitable Employment Equity Act.

In closing, I am delighted to support this bill because it reinforces a core Canadian value, the principle of social justice for all.

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I rise today to speak on Bill C–64. It seems to me after having gone through the bill the thought police are out in force again. Here we have big government which is going to impose its will on employers, telling them not what they shall make but who they shall hire and in what numbers and so on, rather than allowing the free marketplace to decide who shall qualify for the job.

Looking at the bill concerning the purpose of the act, this is the double speak that the whole act tries to get around. It starts off by saying:

> The purpose of this act is to achieve equality in the workplace so that no person shall be denied employment opportunities or benefits for reasons unrelated to ability—

Unrelated to ability, nobody shall be denied. Then it goes on after a while to say:

> —employment equity means more than treating persons in the same way but also requires special measures and the accommodation of differences.

It starts off with the great idea that merit is number one. This country did not get to where it is today, apart from being up to its eyes in debt, through mediocrity, quotas and minimum standards. It got here by trying harder, working harder, reaching for better things, hoping for the best for our children, rather than settling down for quotas and less than the best that we can offer.

When I intervened, one of previous Liberal speakers admitted that while this act says nothing about quotas, it is quotas they are talking about. He actually admitted right out front and was quite candid when he said quotas are what this bill is all about. Merit is being compromised.

When I go through the bill I again find this double speak where it tries to be all things to all people. Let us remember that it is talking about various groups, women, natives, visible minorities and the handicapped. Add all of these together. We have women making up 50 per cent of our population. Then add on the male handicapped, male visible minorities and male aboriginals. We are talking about a significant majority, not a minority, covered by this bill. A small minority are going to be asked to step aside even though they are the best qualified; step aside although they are motivated; step aside even if they have family responsibilities so that somebody else who is less qualified, less able, less motivated can take over and move ahead.

• (1335)

Going right back to the beginning where the bill says that no person shall be denied employment opportunities for the reasons unrelated to ability, that is exactly what we have.

We can take a look at the rather ridiculous items in the bill. Clause 5 states every employer shall implement employment equity by identifying and eliminating employment barriers against persons in designated groups that result in employer's employment systems, policies and practices that are not authorized by law to ensure that we have this spectrum.

I think about sports. I think about the Olympics, this huge competition recognized around the world where we go out and find the best that we can find. There are no quotas there. It does not say that there has to be so many of one group or another group. We take pride in finding the best that we can find and we match these against others around the world. If we find that somebody else beats our Canadian competitors we say let us try harder so that next time we may win.

Surely that is the essence of any type of employment, any type of endeavour in this life where we say let me be the best that I can be.

If this bill had said let us take a look at the education that keeps back some people, be they an identifiable minority or not, surely we have an obligation to help these people to achieve the education and the motivational standards to allow them to compete rather than clamping down on those who do have the education, who do have the motivation, who do have the will and are prepared to work harder. Why are we putting a lid on them to elevate the others artificially? Why do we not give those who feel that they are disadvantaged a helping hand through education and developing that commitment and motivation so that when they enter the workforce they can compete on an equal basis?

Surely that is what it is about. We do not discriminate in sports. We go out and find the best we can find. It would be ludicrous if we thought that Canada was to apply some kind of quota system so that we would always lose. Do not worry, the the thought police will be happy because we ensured that all groups were represented at the competition.

This is big government wielding a big stick on employers. It is as if government thought that employers were incapable of doing it themselves. I think about a newsletter that I subscribe to out of the United States, not in Canada. We do not find these things in Canada. There are employment equity programs in the United States that have been forced on federally funded organizations, as this bill is trying to do here.

There is a small college in Michigan that said it will not comply. It may be thought these people are a bunch of bigots because they do not want to comply, they do not want to fill out the forms, they do not want to ask people which category they fit into, are they on the bottom rung so they have to help them, are they on the middle rung so they give them a little less helping up, are they on the top rung so they keep them down. They said they do not want to participate in that type of stuff. The government said if they are in receipt of federal funds they must, but they said no.

• (1340)

They were cut off federal funds. Some may think that serves them right. That college was the first to issue a degree to a woman in the United States in 1860 and the first college to issue a degree to a coloured person in the 1870s. One hundred years later when the government gets around to saying they have to in order to get employment equity or hiring equity or education equity going and have to fill out the forms, they say they have been doing that for a hundred years.

They do it on merit. They do not care if you are a woman or a man or if you are coloured or not coloured, but if you have the motivation and the desire to succeed, regardless of who you are or what you are they want to help you. They were doing that a hundred years ago voluntarily, long before the Department of Health, Education and Welfare in the United States used the big stick of government to force it down people's throats.

It can be done to education. We do not stand here as the Reform Party saying we want to keep people down. We do not want to keep anybody down but we do not want to classify people and ask which group they fit into. If you are here in this country as a Canadian then that is all that is required and we say let us help these people forward through education and let us not impose penalties on the minority to help the majority.

[*Translation*]

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, I welcome this opportunity to speak in the House today and to show my colleagues and all Canadians that we can trust the government to keep its promises.

The red book mentions a future when all citizens, irrespective of race, gender or physical or intellectual capacity, will enjoy an equal standard of living and quality of life.

The bill before the House today will help ensure this will happen. In fact, we will reinforce the Employment Equity Act so that it also covers the public service and federal commissions and agencies. The Canadian Human Rights Commission will be given the power to conduct audits and enforce this legislation. Employers who do business with the federal government will be required to comply with the principle of the Act. By reinforcing the Employment Equity Act, the government is acting to promote its concept of Canada according to which all citizens must have an equal opportunity to share in Canada's prosperity.

The existing Employment Equity Act has been instrumental in making Canadians aware of the need to identify and eliminate barriers to the employment of designated groups.

[*English*]

For all the many milestones that have been achieved since its inception, however, there are still millions of Canadians who have yet to enjoy its benefits. Women, visible minorities, aboriginal people and persons with disabilities continue to face enormous barriers to employment which prevent them from achieving their full potential.

As my colleagues pointed out earlier, a substantial number of companies covered by the act fail to satisfy the legislation's mandate, 171 of 348 firms. Almost half of the companies reporting last year did not have women, persons with disabilities, aboriginal peoples or visible minorities represented in their workforce.

Too much of Canadian history has been blemished through such inequality among Canadians. It is time to write a new chapter in the evolution of employment equity.

In rewriting the law we are renewing our faith in the fundamental values that shape Canadian society, fairness, decency and justice for all. By renewing the legislation we will clarify employer obligations and strengthen employee opportunities. We are determined to strike a better balance that works to the advantage of all Canadians.

[*Translation*]

For the first time in Canada, public and private sector employers will be on an equal footing. The Public Service will be subject to the same rules as the private sector. All employers will be required to reflect the diversity of Canada's population in their labour force. We will extend the scope of the legislation to include the Canadian Armed Forces, the Royal Canadian Mounted Police and the Canadian Security Intelligence Service.

• (1345)

The legislation will also apply to employers who do business with the federal government, which means that from now on they will have to comply with the principle of the Employment Equity Act. This legislation will also give new responsibilities to the Canadian Human Rights Commission. The commission will have the authority to conduct audits in the workplace in order to force employers to comply with the Act.

The commission will also be empowered to take corrective action as needed. In cases of non compliance, the commission may refer the case to an employment equity review tribunal, whose decisions could be mandatory.

To balance the commission's regulatory authority, employers who wish to challenge its decisions will have a chance to plead their case before the tribunal.

[*English*]

The legislation clearly stipulates that tribunal rulings will not cause undue hardship for employers or require them to hire or promote unqualified individuals.

The amendments are also purposely designated not to increase the paper burden to employers. They are meant to act as an impetus, not an impediment to economic growth and job creation.

Enlightened Canadian employers are rapidly discovering for themselves that employment equity is a bonus in the workplace. Diversity is proving to be a competitive advantage in an increasingly complex global economy. Given demographic trends, employers have every reason to want to capitalize on the wealth of untapped talent in the designated groups.

By the year 2000, when Canada will experience a skill shortage caused by an aging population, two–thirds of newcomers to the workforce will be women, visible minorities, aboriginal people and persons with disabilities. Canadian employers cannot afford to overlook this vast labour pool any longer.

[*Translation*]

All Canadians will benefit as a result of this legislation, because its purpose is to ensure that all Canadians will have equal access to employment opportunities and advancement.

The bill before the House today states that workers are to be hired and promoted on the basis of ability. It provides that ability and merit must be taken into account to ensure employment equity, which can only improve the quality of our labour force.

In fact, employment equity is closely linked to social security reform. Social and economic progress cannot be dissociated from job creation and the integration of disadvantaged persons in the community.

The changes proposed in this bill are necessary, reasonable and fair.

We are convinced that an improved Employment Equity Act will give employers an opportunity to create more efficient and more effective workplaces.

In fact, these improvements will promote tolerance and respect for diversity and encourage a better appreciation of the rich diversity of our communities.

[*English*]

I commend the minister for his decision to send this piece of legislation to committee. I wish to cite some of my own experiences with the public service in Quebec where some legislation has been adopted.

L'Office des ressources humaines was faced with a target of 12 per cent hiring for members of the cultural communities visible minorities. The public service was unable to attain this level. We might ask why it was unable to attain this level, even though it was a promise made by the former Liberal government of that province.

The reason, after years of studies and years of reports, was that there was systemic discrimination. In other words, visible minorities, members of cultural communities, women and the handicapped were barred by a system that did not have the types of measures in it that would allow access to promotions or even to jobs within that system.

• (1350)

Many members opposite said that the merit principle has been forgotten and used words like reverse discrimination. My experience has led me to believe the proposals we are presenting will require that we succeed in removing the deep rooted systemic biases that exist in any system, especially in the public service.

We also need to assure that the Human Rights Commission will have the resources and the authority to ensure compliance with the legislation presented to the House.

Finally, with respect to downsizing, cuts will be made in many areas. I hope the groups we are discussing today will not be unduly hardshipped by the downsizing that is taking place at the moment, because a lot of them were newly arrived to the present system and are on contracts.

Our public service must reflect the reality of Canada. It must be representative of all the components of our society. We are not talking about merit here. Are hon. members on the other side of the House saying there are no qualified individuals in any of these four groups? Are there no women, no visible minorities, no handicapped people, no native people who are qualified for these positions? I doubt that reflects the reality. In fact there are many of them. However there is enough systemic discrimination in the system, enough biases in the system not to allow these qualified individuals to have access to our public service.

I would like the hon. members to take these facts into consideration.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Madam Speaker, I am pleased to rise today as a Reform member on the standing committee on human rights to address the government's proposed legislation to extend employment equity.

Bill C–64, an act respecting employment equity as tabled by the human resources minister yesterday, reflects the government's disregard for proper process in its presentation and the government's ongoing folly of spending non–existent public money to undermine the job creation abilities of Canadians and to create further division and social pressure among competing groups of otherwise talented and proud Canadians. I am delighted to take the opportunity to expand on these tenets.

Today much discussion has been shared in the House on the pros and cons of such a program. The rhetoric and mixed messages become confusing. In response I take a moment to consider how employment equity measures up to three basic and clear philosophies I believe the vast majority of Canadians would welcome and support.

According at least to the red book, Liberals too would agree, first, that deficit reduction is a major priority. They have agreed that billions of dollars in government spending must be cut to accomplish it. Second, Canada must have a credible place in the global economy. To quote from the red book:

> The federal government can and should support and facilitate the national effort to prepare Canadians to compete in the world.

Third is the equality of opportunity, and again I quote:

> Governments should support a framework of fundamental fairness and decency within which Canadians are able to pursue their individual goals.

Let us hold up the existing proposals of the bill against such a benchmark. It is not in viewing things in isolation but against a true measure that we can separate pretence from fact.

Even the present Liberal government is finally recognizing the debt and deficit are a major threat to Canada's present situation and future potential. Current government policy has finally recognized the connection between fiscal recklessness and unemployment, between high indebtedness and the loss of economic and fiscal sovereignty.

In a recent release from the Department of Finance entitled "Creating a Healthy Fiscal Climate", the government now seems to realize that the deficit problem cannot be addressed without a clear priorization of federal spending. Budgetary actions "should weigh toward reductions in expenditures". Choices must be made between high and low priority items.

Although as Reformers we believe their 3 per cent target to be totally inadequate, it has become apparent in public debate that even for that goal billions must be cut, which will demand cuts to some untouchable programs.

The first question I ask is: Should the added expense of broadening employment equity be a top priority in the mind of a budget balancing government? We must keep in mind that employment equity already exists as a policy across all public service within the Public Service Act.

Bill C–64 will mandate that approach in law though the Treasury Board now refuses to try to estimate the cost of the existing policy.

• (1355)

Does this imply that such a policy has been immune from the departmental review process demanded by the government in recent months? Does this imply that the policy of employment equity is so philosophically important it takes priority over federal downsizing or even some social programs? Is this so necessary as to be deemed untouchable in government operations even before it comes before Canadians for discussion? If so, who did the government listen to in order to come to that conclusion.

A Gallup poll conducted last December showed that the majority of Canadians accept the concept of equality in the workplace. However 81 per cent of Canadians oppose numerical hiring goals and 90 per cent oppose exclusionary job competition. The government is also ignoring the fact that 74 per cent of those surveyed are definitely opposed to government equity programs.

In response to the government's mantra of jobs, jobs, jobs, how will this priority program affect Canada's long term viability in the important world markets? The purpose of the act is the explicit encouragement of employers to discriminate in favour of targeted groups over all other employees, largely white able–bodied males.

No matter how we look at it, the establishment of numerical goals as outlined in the legislation means quotas. The rejection of merit as the only distinguishing characteristic dictates that the best candidate, as opposed simply to the qualifying candidate, will not necessarily be the one chosen for any particular position.

By treating some more equal than others the government's mandated policy dictates that we end up with a workforce less expert than otherwise may be possible. Canada increasingly exists within the demands of an ever expanding and increasingly competitive world market. Every means possible from sound fiscal management to excellence in every sector of the economy will be necessary for us to hold our own in the challenge of that competitive environment.

Finally I want to spend some time on the notion of equality. Section 15 of the Charter of Rights and Freedoms claims Canadians are equal before and under the law. True justice lies in a process, not in the outcome.

Any competition between two individuals, whether it be a race or a job competition, can only be deemed fair in the equal treatment during the process. The outcome is never predictable. The test of the race should never be in comparing the anticipated with the actual results.

The true test of equality of opportunity is the very randomness of the outcome. Fairness dictates only that the best man or woman wins. This legislation is not just. It establishes numerical goals that must be met, which affects the outcome in favour of those covered under the goals.

As a member of a designated group I take offence at the implications of the government's numerical goals or quotas. There is a suggestion by their very existence that somehow the system lacks confidence in the ability of women in general to really compete on a level playing field.

The same Gallup poll I referred to found that 75 per cent of women agreed with the statement that governments should not actively hire more women or minority groups. As a group, women are not at a disadvantage. The 1994 annual report indicates women are actually doing better outside the act than they are under the employment equity program.

The Speaker: The hon. member will have the floor after question period. However, as it is two o'clock, pursuant to Standing Order 30(5) the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

CANADIAN EXECUTIVE SERVICE OVERSEAS

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, CESO is a non–profit volunteer organization that shares Canadian knowledge with business communities and organizations in developing nations and emerging market economies in central and eastern Europe.

Volunteers, experienced in their profession or industry, serve as trainers and advisers to help developing communities achieve economic self–sufficiency.

I take this opportunity to recognize the outstanding efforts of Mr. John Fingland, a constituent from my riding of London—Middlesex. Mr. Fingland has provided his knowledge and expertise in the area of forest management to the people of Thailand.

I commend the time and energy he and other CESO volunteers give. These efforts will go a long way toward promoting human and global development.

* * *

[*Translation*]

IMMIGRATION

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, contrary to statements made by the Minister of Citizenship and Immigration, the Schelew affair is not closed.

• (1400)

Many questions remain unanswered and the whole thing is starting to look more and more like a government cover–up operation. After the vice–chair of the Immigration and Refugee Board resigned, not proceeding with the inquiry has saved the minister from having to answer legitimate questions about the serious allegations made against Mr. Schelew.

The minister can no longer dissociate himself from the questionable, to say the least, methods used by his government to make the problem disappear, especially since it is not known who authorized the Treasury Board to give him $100,000 in severance pay.

The minister no longer has a choice. It is his duty to shed light on this issue. His credibility, as well as that of his government and of the board, are at stake.

* * *

[*English*]

GUN CONTROL

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, yesterday a good friend of mine was laid to rest in Mission—Coquitlam. Roger was a victim of armed robbery and the gun used was not a handgun but a sawed–off shotgun.

This crime happened because two young men have no respect for the law, no respect for the rights of others and probably have never been held accountable for their actions.

What we need in this country is crime control, not gun control. We have the laws in place. What we have to do is enforce them. We must establish the rights of victims over the rights of criminals, tougher sentencing and the tightening up of the Young Offenders Act.

If we put emphasis back on the role of the family in teaching the basic values which build character and make responsible citizens of our young people, then we will be going in the right direction. Responsibility begins at home. In this way we can attack the very serious crime problem in Canada by teaching respect for others and respect for our laws at a very early age.

THE ENVIRONMENT

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, congratulations are in order for the Ontario Fibricare Association and the Korean Dry Cleaners Association that have taken their cleaning one step further.

Recently they signed a memorandum of understanding with the Ontario and federal Ministers of the Environment to establish a Green Clean project, a voluntary pollution prevention initiative which promotes water based technologies and processes as an alternative to the use of chemicals in the dry cleaning industry.

The Toronto Green Clean depot is the first of seven such cleaners to be outfitted by Environment Canada for January 1995. The depot's objectives are to educate consumers on green cleaning and to promote wet technology to industry members.

Governments, corporations, environmental groups, industry associations and individual Canadians must work together to improve the environment for all of us. This initiative will work to eliminate the paradox that getting our cleaning done means polluting our environment.

It is another step toward achieving our goal of a green clean Canada.

* * *

BANKING

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, It has always been my concern that the five major banks make such high profits during both downturns and upturns in the Canadian economy.

The high amounts of profit the banks have declared this past month are particularly incredible. Even more disturbing is the fact that while some banks are making over $1 billion profit, they are at the very same time putting builders and developers out of business with a callous take it or leave it attitude.

I call on the Prime Minister to fulfil the recommendation of the Standing Committee on Industry to implement an independent ombudsman to oversee banking practices in this country. The sooner small and medium size businesses get a fair shake, the sooner they will be able to prosper again.

* * *

CESO INTERNATIONAL SERVICES

Mrs. Beryl Gaffney (Nepean, Lib.): Mr. Speaker, I offer congratulations to volunteers with CESO International Services who give of their time both here at home and abroad.

In particular, I would like to mention two Nepean people. Mr. Jerry Szymanowski travelled to the Slovak Republic to advise manufacturers of insulation material on exports to Canadian

markets. He also laid the groundwork for a joint venture partnership with a Canadian firm.

Second, Aleksandrs Sprudz. Alex came to Canada from Latvia in 1951. He spent 18 years with Indian and northern affairs helping establish agriculture co–operatives in Indian and Inuit communities.

He recently returned to his homeland to share his knowledge and experience in his field with researchers and professors from Latvian universities. He was instrumental in working with members of the Latvian congress of agronomists to put forward a resolution to the Latvian government for approval of lands to be set aside for the sole purpose of agricultural co–operatives.

Aleksandrs Sprudz passed away on December 6, 1994. I wish to extend my heartfelt sympathy to his wife and daughter.

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[*Translation*]

CANADA COUNCIL

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, we learned today that Quebec artists, too, refuse to support the phony consultation process initiated by the Canada Council.

Several organizations, including the Quebec artists' union, the Quebec theatre council and the Quebec writers' union, have expressed their deep concern and denounced what they see as a lack of respect for artists.

• (1405)

This government, which has decided to slash arts financing, has the nerve to undertake consultations to ask artists where it should cut. Given the improvised and slapdash approach of the Canada Council and the obvious complicity of the Canadian heritage minister, we wonder about this government's respect for culture and the arts community.

* * *

[*English*]

WORLD JUNIOR HOCKEY CHAMPIONSHIPS

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, it is my pleasure to inform the House that between December 26 and January 4 the world junior hockey championships will be taking place in my riding of Red Deer.

Everyone in Canada appreciates junior hockey. The people of my riding are incredibly proud to host the best juniors in the world. Red Deer has a great hockey tradition with its Western Hockey League team. Current NHL stars such as Glen Wesley and Mark Tinordi were born in Red Deer.

We look forward to watching all the future stars when they come to play for the world championship. Competitions like this will inspire the next generations to carry on Canada's proud hockey heritage. Come on out, watch the games and enjoy the competition. Together we will all promote Canada's great winter sport.

* * *

TRANSPORT

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, with the publication of the Transportation Safety Board report, the Canadian public has again been made aware of the problems of the deregulation theory that Transport Canada has been pursuing for over a decade.

In spite of evidence to the contrary, transport ministers from Axworthy to Mazankowski and on to the current minister have insisted that "safety will not be compromised". NDP members have always argued that without regulation and adequate inspection staff, safety would inevitably take second place, particularly when carriers are strapped for cash. In such cases maintenance is reduced, accidents increase and consumers are at risk.

Since the department's strategy is in question I suggest that the minister take charge and ask someone like Judge Moshansky, who reported on the Dryden crash, to do a follow–up investigation to see if Transport Canada's inspections are now improved enough to correct the shortcomings previously identified.

* * *

[*Translation*]

TAXATION

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, I wish to point out to my colleagues that the Quebec independence movement is not a threat to national unity. Quebecers will settle the problem concerning the Quebec independence movement. What really threatens the well–being and unity of our country is a fiscal and monetary system in need of thorough reform.

The tax system is unfair and inequitable to the majority of Canadians. The helplessness felt by Canadians has become a source of frustration and undermines the credibility of elected officials and democratic institutions. This threatens to break up our country unless we tackle this major problem right away.

* * *

DRAFT BILL ON QUEBEC SOVEREIGNTY

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, the following statement appeared in the August 3 edition of the *Toronto Star*: "I agree with Mr. Chrétien that a pequiste government would not be empowered to launch the negotiation process towards independence and that, contrary to the warnings given by provincial Liberals, the eventual election of the PQ does not

mean that Quebec will become independent. For once, I agree with those who support federalism".

That statement made by the Bloc Quebecois leader could not be more explicit. The fact that the PQ was elected does not give it any right to unilaterally declare Quebec's sovereignty in its draft bill before consulting the population through a referendum.

The Premier of Quebec must set aside his biased consultation process and quickly hold a real referendum, in which Quebecers will decide if they want to separate from Canada.

The Speaker: I regret to interrupt the hon. member, but her time is up. The hon. member for Trinity—Spadina.

* * *

[*English*]

ECODEK

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, yesterday saw the opening of EcoDek, a brand new environmental tourist attraction at Toronto's CN Tower.

• (1410)

EcoDek is a state of the art, cost effective exhibit that promotes the principles of environmental learning and citizenship. Through this high tech, innovative, interactive and entertaining exhibit, EcoDek has the potential to reach 1.5 million visitors who annually go to the CN Tower.

EcoDek's ability to raise public awareness of and encourage involvement in environmental issues goes beyond the actual attraction. It includes an educational package that has been developed to help teachers maximize the educational value of field trips to EcoDek before, during and after classes.

To this end I am happy to report that over 600 schools from many parts of Ontario and the Great Lakes states have already booked visits to Toronto beginning in January.

I would like to take this opportunity to congratulate the Minister of the Environment, the CN Tower and its many partners for advancing environmental awareness in a manner that is commensurate with the city of Toronto as a world class destination for foreign travellers.

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[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, yesterday, the Minister of Intergovernmental Affairs once again showed that he was acting in bad faith regarding the Collège militaire royal de Saint–Jean. Instead of looking after the interests of the residents of Saint–Jean, the minister prefers to generate controversy regarding the academic future of that institution.

Instead of constructively discussing the proposal made by mayor Smereka, which is supported by a large majority, the minister keeps looking for excuses to sabotage the negotiation process. Is that his idea of flexible federalism? The minister should change his antagonistic attitude and look after the well–being of the public instead of his own partisan interests, so that, in the end, the only real winners are the residents of Saint–Jean.

There is no need to prolong the uncertainty and controversy. Let us settle this issue once and for all; after all, we are very close to a happy ending.

* * *

[*English*]

REGIONAL DEVELOPMENT

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, the Liberals have done it again. Last week the minister responsible for ACOA was such a hero for announcing that his pork barrel agency will no longer hand out free money.

Canadians can rest easy knowing that ACOA intends on following in western economic diversification's footsteps. Never mind the fact that WED wrote off nearly $12 million of taxpayers' money last year.

Then there is FORD–Q, Federal Office of Regional Development–Quebec, the outfit the finance minister runs. He talks a good game and wants to cut the deficit but at the same time he doles out money hand over fist through his own pork barrel program.

Roughly three–quarters of FORD–Q's assistance is repayable. Taxpayers should not worry that FORD–Q gives out free money for amounts under $25,000 and they should not worry that last year FORD–Q wrote off $13.7 million of their money.

Yes, the minister of public works should be proud that he is now in very elite company.

* * *

GUN CONTROL

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, in February 1995 comprehensive firearms control legislation will be introduced through amendments to the Criminal Code, Customs Act, Customs Tariff, Export and Import Permits Act, National Defence Act, the Young Offenders Act and other related statutes and regulations.

The design of the program addresses different needs of the country affecting safer homes and streets. Programs will be put in place to control the import, export and domestic transit of guns.

Sentencing provisions of the Criminal Code include tough new minimum sentences. A national firearms registration is a central foundation of the coming legislation.

Many of my constituents applauded this legislation. I urge all Canadians to obtain the information material through their own MP to examine the scope of the coming legislation to better understand the problems that we are trying to address and the potential solutions.

I look forward to working on this legislation in the justice committee when it reaches it.

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CENTENNIAL FLAME RESEARCH AWARD

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, as chair of the Standing Committee on Human Rights and the Status of Disabled Persons, I announce with pride that the recipient of the 1994 Centennial Flame Research Award is Linda Nancoo of Toronto.

Administered by our committee, the award honours the courage and determination of Canadians with disabilities. It recognizes their many contributions to society.

Ms. Nancoo, a person with a vision disability, has proven that a physical disability need not be a barrier to success as a writer. Her project will address the relationship between culture and disability, utilizing real life stories of Canadians with disabilities from the ethnocultural community.

This project is designed to generate increased awareness and sensitivity on this issue on the part of all Canadians.

• (1415)

On behalf of the committee I congratulate Ms. Nancoo on her achievements. By honouring her, the committee and therefore the House of Commons itself is honouring all Canadians with disabilities. I ask all colleagues to join me in this sentiment.

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TATSHENSHINI–ALSEK WILDERNESS AREA

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, the minister of cultural heritage has nominated the Tatshenshini–Alsek wilderness area in northern British Columbia as a world heritage site at the United Nations, with absolutely no public discussion, input or support.

The Tatshenshini contains rich mineral deposits worth more than $10 billion. This represents an enormous opportunity for job creation, real job creation, not taxpayer funded handouts, and huge revenues for governments.

A recent Decima research poll shows that 85 per cent of British Columbians believe it is important to check for mineral deposits when considering setting aside land for parks. Sixty–seven per cent believe that mining and other land uses should co–exist.

Clearly the public wants to maintain a viable mining industry in Canada. A world heritage site designation undermines and threatens the future of the Tatshenshini for resource use, which is clearly against the wishes of a vast majority of British Columbians.

I call on the minister to withdraw this undemocratic and unsupported nomination forthwith.

ORAL QUESTION PERIOD

[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, last Friday, the Minister of Intergovernmental Affairs said that he intended to send some of his officials to Saint–Jean to negotiate an agreement on the basis of the proposal put forth by the mayor of Saint–Jean.

Yesterday, using as a pretext what Quebec's intergovernmental affairs minister had said, the minister reversed himself and refused to delegate his officials to resume negotiations today, as planned.

In view of the urgency of the decisions the staff and their families will have to make and since everyone has agreed to resume discussions on the basis of the mayor's proposal, how does the minister explain his latest about–face, his refusal to send officials to Saint–Jean to resume negotiations today, as he had promised?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, if anyone has not flip–flopped on this issue, it is I. For the past four months, I have been telling the opposition day after day that this matter must be settled on the basis of the agreement signed with the Government of Quebec on July 19.

Ms. Beaudoin, in her press conference yesterday morning, denied the basis of our agreement. She denied that the July 19 agreement would be the basis of our negotiations, so she is the one who has set aside what would have made it possible for us to reach a positive conclusion for the college in Saint–Jean.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Intergovernmental Affairs is dancing the cha–cha–cha on the Saint–Jean college issue—and he knows it. He is taking one step forward, and two steps back. That is what he is doing.

I would like him to tell us exactly in what way what the Quebec minister said changed the proposal from the mayor of Saint–Jean, which is based on the July 19 agreement that seems

to be so dear to the minister. How did that change the mayor's proposal which Ms. Beaudoin and the people of Saint–Jean are prepared to discuss? The minister is the only one who will not get involved in the negotiations.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, it is always better to dance the cha–cha–cha than St. Vitus' dance, like the opposition.

The proposal from the mayor of Saint–Jean, Mr. Smereka, only implements the sixth point of the July 19 agreement. Therefore, by stating, as she did literally yesterday morning, that she does not believe in the July 19 agreement, Ms. Beaudoin has set aside the whole basis for negotiations.

At midday today, I wrote to Ms. Beaudoin, indicating that if she advised that she was prepared to accept the terms of the July 19 agreement, I would gladly resume negotiations, because what we care about is keeping the college in Saint–Jean going and the welfare of the people of Saint–Jean.

• (1420)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, despite the importance of this issue for the community of Saint–Jean, the teaching staff and their families, the minister stubbornly persists in refusing to discuss it.

The Quebec minister clearly indicated to the minister that she was ready to discuss the proposal put forth by the mayor of Saint–Jean and the minister himself said that this proposal was consistent with the July 19 agreement. What more does it take, Mr. Speaker? If the Quebec minister abides by the agreement, or rather the proposal, from the mayor of Saint–Jean, and the federal minister thinks that it is consistent with his proposal of July 19, what more does he need?

I put my question to the Prime Minister so that someone in that government will see the light.

The Speaker: I would ask the hon. member to put his question.

Mr. Gauthier: Yes, Mr. Speaker. I always have trouble avoiding relevant comments.

Given the importance of this issue for the community in Saint–Jean and the teaching staff, does the Prime Minister intend to intervene to bring his minister to his senses since his attitude is completely incompatible with what he himself called flexible federalism?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, flexible federalism means that when there is an agreement, the other government respects it. That is the basis of the good relations which should exist in Canada.

On July 19, we signed an agreement in good faith with the Government of Quebec and it was hailed as a very good agreement. The people of Saint–Jean were happy. But since a new government was elected in Quebec, there is no more agreement. If the Government of Quebec wants to abide by the agreement we signed with the previous government, there will be no problem. If it wants to reopen the issue, well, what can I say? The people of Saint–Jean will suffer the consequences.

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CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, my question is directed to the Solicitor General. This morning, we heard that the government had decided to remove and not release several parts of the report of the Security Intelligence Review Committee on the disturbing Bristow case, in which CSIS not only infiltrated but actually contributed to the activities of the racist Heritage Front organization.

How can the Solicitor General, who claimed that he wanted to release all the facts on the Bristow case, justify this attempt to conceal several parts of this report? What is he trying to hide from Quebecers and Canadians?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, we must not make any final decisions. I said that I wanted to release as much as I could of the SIRC report, in accordance with the appropriate legislation. We still have the entire report under review. I hope I will be able to announce a decision very shortly.

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, if the government still claims it wants to release the facts about the disturbing allegations in the Bristow case, how can the Solicitor General explain the fact that he has yet to submit the full report to the parliamentary sub–committee on national security for consideration?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, according to the legislation governing CSIS, the report is submitted to the Solicitor General. It is therefore the Solicitor General's responsibility to decide on the best way to release the report. My responsibilities include making sure that when I release the report, I am guided by the appropriate provisions of the Privacy Act and the CSIS Act. I trust the hon. member would want me to take seriously the legislation adopted by Parliament in this respect.

* * *

• (1425)

[*English*]

IMMIGRATION AND REFUGEE BOARD

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, over the past month the allegations of intimidation and artificially inflating refugee acceptance rates have been levelled at Michael Schelew and the Immigration and Refugee Board.

On November 21, Mr. Schelew was quoted as saying that he would not negotiate a severance package because he wanted exoneration. A judicial inquiry was ordered. It was called off because Mr. Schelew resigned with a $100,000 parting gift from the federal government.

Who negotiated and authorized this severance package? Will the minister make public the details of the negotiations which led to this 180 degree turn by Mr. Schelew?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the ultimate decision to stop the inquiry was made by Judge Hugessen who said in his ruling that there would have been no reason or right to proceed. The deputy chair offered his resignation. Accordingly the government entertained a settlement. The settlement was conducted by government officials. The settlement in the end was in keeping and in line with standard government procedures. We believe it to be a fair settlement.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, my question was: Who negotiated the settlement with Mr. Schelew?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the answer was included in my first response: Government officials.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, can the minister tell us which government officials negotiated the settlement with Mr. Schelew and what his own role was in those negotiations?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I repeat that the negotiations were nothing untoward, nothing special. They were in keeping with normal standard procedures between government and public servants and those appointed through governor in council and no, I was not involved.

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[*Translation*]

AIR SAFETY

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of Transport.

In a release published yesterday, the Transportation Safety Board of Canada reported serious deficiencies in the way Transport Canada handled the inspection of safety measures taken by air carriers. The board mentioned in particular major deficiencies with respect to the nature and frequency of the inspections, as well as insufficiently thorough audits and follow–ups.

Considering that safety must be his top priority, how can the minister explain that such deficiencies are allowed to continue in terms of air safety, in spite of the many recommendations put forward by Canadian control organizations? And what positive steps does he intend to take to remedy the situation within his department?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the question raised by my hon. colleague is a very serious one. We have read carefully the report of the Transportation Safety Board and taken note of its two major recommendations. First, air carriers must be subjected to much more minute inspections. Second, when faults of any kind are found in the system, there has to be a follow–up to ensure that these faults or deficiencies have been corrected.

The board's report takes into account all incidents since 1984, the latest one dating back to December 1993. We take very seriously every one of the recommendations made by the board and intend to act on them.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, would you kindly remind the minister that he has been in office for over 14 months now. How does he expect to be taken seriously, knowing that similar recommendations were made in the past by the Transportation Safety Board and ignored by Transport Canada?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, this is not a matter that we are going to pursue in this House on the basis of when the incidents occurred. Anything that has to do with the safety and security of travelling Canadians we are going to take very seriously.

The report brought in by the board yesterday identified two major problems. The first was the depth of the audit that is conducted. We have undertaken to make sure that situation is corrected. The second was the follow–up. The first incident occurred in 1984. The last one referred to by the board occurred in December 1993.

• (1430)

My hon. friend knows that we are doing as much as we can to maintain a climate of confidence in the transportation system in Canada. We understand the import of what was recommended by the safety board. We intend to follow through on it. I can assure my hon. friend that a hell of a lot more will be done in the next few months than in the last 10 years.

The Speaker: Although the word hell is not necessarily unparliamentary, perhaps we could use it a little more judiciously in the future.

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IMMIGRATION AND REFUGEE BOARD

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Michael Schelew might be gone from the IRB, but his presence and the presence of other like minded IRB members continues to be felt.

Within the next couple of days in Edmonton a refugee claim being made by an American woman claiming spousal abuse will be heard by a full member panel of the IRB. Hundreds of other refugee claims will be made this year by people who come from democratic nations. Surely the minister can see how ludicrous this is.

Will the minister agree to a full review of the way the IRB determines refugee status and who is eligible to make a claim in the first place?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, as I have mentioned in this House and outside this House many times, the government is conducting a full review of its agencies, boards and commissions. Within this review is also the IRB. We have every intention of undertaking any reform or measures that would strengthen the institution.

As well, the chairperson will be moving very quickly on the commission that she had asked for some months back about the Hathaway report, about how individual members react to different situations.

I also mentioned to him during the course of question period yesterday that I will be meeting with the chair later this week so that I can also ascertain how she feels about a number of things over the last number of months which has not been easy.

If the member has ways of trying to improve the institution then count me in. If he simply wants to undercut the institution he can count me out.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, that is precisely the same arm's length excuse that we have heard from this minister all along but it does not wash.

This minister has the power under the Immigration Act to prevent before they begin refugee claims by people from countries like the United States, but he has chosen not to do so.

Will this minister admit that his unwillingness to stop refugee claims from the United States and Israel makes a mockery out of the IRB, his office and the country as a whole?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member criticizes me for being at arm's length. Three weeks ago they were giving lectures about how ministers have to respect independent, quasi–judicial boards. Which one is it?

The member asks whether I would deny or allow a refugee claim. That shows a profound ignorance of how refugee determination works in this country. It is not the minister or members of Parliament who adjudicate. That is why it is semi–judicial and independent, so that those adjudications may be done properly by members of the Immigration and Refugee Board.

[*Translation*]

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REPRODUCTIVE TECHNOLOGIES

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, my question is for the Minister of Health.

The Baird report made public over a year ago recommended banning the commercialization of human embryos. One year later, the minister tells us that women will have to wait another year for the government to legislate against the commercialization of human embryos.

Does the minister still intend to wait another year before stating her position on the new reproductive technologies, when commercialization of human eggs is occurring at the IVF Canada Clinic in Toronto as we speak?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I thank the hon. member for her question. As she knows very well, these are very complex issues. I am currently working on a short term solution that should help until we can table a bill.

• (1435)

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, does the Minister of Health realize that her inability to present the Minister of Justice with the report he needs to prepare the necessary legislation is causing unacceptable delays favouring the growth of unregulated trade in human eggs and embryos?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, many times in this House I have spoken of the complexity of this issue and of the many jurisdictions.

I have one comment to make. I would certainly hope that the members of the Bloc Quebecois, when we do bring something forward, will speak with their provincial counterparts, the Parti Quebecois, to help us ensure that these types of practices are regulated efficiently and quickly.

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IMMIGRATION AND REFUGEE BOARD

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, this whole Schelew affair is just the tip of the iceberg. Mr. Schelew may be gone but the fundamental problems with the IRB remain.

The board is far too vulnerable to special interests in the immigration industry. It remains unaccountable to the Canadian public and its credibility has been shaken. Friends and foes of Mr. Schelew have all been calling for a public inquiry to clear the air surrounding the IRB.

When will the minister put public interest ahead of political damage control and call an immediate, thorough and public inquiry into the workings of the IRB?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, public interest always comes first. No one is suggesting for one moment that any vested interests have any control of the Immigration and Refugee Board. If the member has information like his leader was doing a few weeks ago, he should come clean and give us specific information.

I mentioned very seriously that the review of all government agencies is something that the IRB is involved in. Proposals have been made and will be released in the new year.

Second, the Hathaway report which I hope the hon. member had an occasion to read points out a possible number of avenues that the current chair independent of government is looking at.

Third, I will be meeting with the chair to discuss the issues as well as any other possible measures that would strengthen the board. If the Reform Party which has been in office for a year—

The Speaker: As a general rule, if you have three points that is quite a bit.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, not only has the Immigration and Refugee Board been tainted by the Schelew affair but the entire process for admitting immigrants and refugees into Canada has been brought into question.

The problem is much bigger than Mr. Schelew, the IRB or this particular minister. What is needed is a thorough investigation into the whole immigration and refugee determination process along with a look at alternative methods and procedures.

Will the Prime Minister get to the bottom of this mess and order a white paper on the immigration and refugee determination system in Canada either through this minister or through a new minister with the skills and commitment to reform the system?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I know very well that the policy of accepting some refugees in Canada does not please the Reform Party. Canada has always been more able than any other country to help people in very difficult positions around the world.

I do not want to do that, in conformity with the laws that this Parliament has passed. If there is some need for change in the legislation, the House of Commons will have an occasion to study it and make recommendations.

This government in a year and one month has shown that we have the proper balance. There are some incidents. It is not easy to come to a conclusion in cases like that.

We have appointed members with their own convictions and they try to do their best. In this case apparently there might have been some error made and the person decided to resign. He has the right to resign and somebody else will be appointed. We want to maintain a policy that permits the people of the world, when they are in very difficult situations, to know there are some people who are concerned about human beings, the Canadian government.

* * *

• (1440)

[*Translation*]

ROGERS CABLE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Rogers, the cable television company, decided to change access to its French–language channels TV5 and Météo Média, and to cancel Musique Plus, as of Thursday of this week. These changes will significantly reduce access to French channels for francophones. This situation is undoubtedly the result of a bad decision made by the CRTC regarding RDI, a decision that the heritage minister refused to review, in spite of a request to that effect by the opposition.

Since it is also the responsibility of the minister to support francophone and Acadian communities, will he take action so that Rogers maintains those three French–language channels as part of its basic service?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am very pleased to serve Canadian and francophone communities. I have no intention of interfering with the decisions of the CRTC, except to the extent of the legislative powers delegated to me. The hon. member's remark is interesting. In fact, we are examining this issue.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am pleased to see that the minister has decided to take our request into consideration, but can he tell us now when he intends to provide an answer to francophone communities, since this service will be cut on Thursday?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I already had the opportunity to express my views on extending the RDI service to francophone communities. Radio–Canada has a responsibility which I have recognized, and it is precisely from that angle that I look at the issue.

[*English*]

NUCLEAR WEAPONS

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

The United Nations World Health Organization has asked the World Court for an advisory opinion whether the use of nuclear weapons is against international law. Will the government consider informing the court of those areas in which Canada considers the use of nuclear weapons to be against international law?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, Canada supports the objective of the elimination of nuclear weapons. However, we believe a treaty that would be binding on all the parties would be more conducive to efficiency than a mere reference to the international court of justice.

* * *

TAXATION

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, today in this House the Liberal government summoned members from all over Ottawa so they could smother debate about the fact that their government is considering tax increases. How can the finance minister claim his government is willing to listen to Canadians when he permits his government to smother debate about the issue in this House?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I am not quite sure what the member means by smothering debate.

The finance committee has gone across the country and has heard from Canadians. There has been extensive discussion within the committee in which the member participated. In this House there have been countless questions. There have been discussions back and forth.

I am not quite sure what further debate the Reform Party would like to see. We have listened to the members ad nauseam putting up strawmen like carbon taxes and everything else.

One day the leader of the Reform Party talked about what it cost per minute to listen to this House. We have blown a billion dollars listening to the Reform Party.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I rather get the impression that the finance minister along with the rest of his party did not have a clue what they were voting on this morning. What has happened to the Liberals and the finance minister since they sat on this side of the House?

• (1445)

Perhaps I could help the finance minister remember that on April 27, 1993 he said: "In the real world outside Parliament Hill political revolution is under way". He said: "Canadians are demanding an end to the volleys of taxation that issue from the nation's capital every spring". What does he think of his own words today?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the member is absolutely right. When I was in opposition I referred to the political revolution that was taking place outside the House. It took place and that is why we are in government.

* * *

[*Translation*]

CANADA LABOUR CODE

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. Yesterday, I clearly demonstrated to the minister that the Canada Employment Centre in Verdun was instrumental in the hiring of scabs to replace workers now on strike at Ogilvie.

Now that the minister knows what is going on, does he intend to take steps to stop this practice in Verdun and at all Canada Employment centres?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I took a look at the information provided by the hon. member and had it examined.

I would like to report to him and to other members of the House. He knows full well that under the rules of the International Labour Organization, to which Canada is a signatory, in the delivery of employment development services a government cannot take sides in any industrial dispute.

Therefore they posted the notice of the job with the fact that there was a strike or an industrial dispute taking place, which was totally and completely within the criteria established by the International Labour Organization.

[*Translation*]

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, does the minister agree that this situation makes a case for the quick adoption of amendments to the Canada Labour Code that would prohibit the use of scabs during a labour dispute, and that this should be done without waiting for the review announced by the minister?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I have said in the House before that we are very interested in looking at modernizing the Canada Labour Code.

We are taking into account a number of representations. I have met, as have other members of the caucus and the member for Outremont, directly with the working group from the ADM Ogilvie. We will certainly take the representations into account. We are looking at the entire issue. When the cabinet has decided then legislation will be presented to the House.

* * *

GOVERNMENT BUSINESS

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, today the Minister of Justice told the press that because "we have had just a very busy time" he is not going to bring forward changes to the Canadian Human Rights Act. Earlier he delayed introduction of gun legislation and he failed totally to introduce legislation to end the drug defence in justice.

My question is for the government House leader. In light of the fact the government is so short of legislation to bring before the House that the House is often suspended or is adjourned early, why is the government not introducing its legislation on schedule as promised?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, we have a program of legislation with which we are proceeding. I expect the legislation the hon. member mentioned will be tabled shortly after we come back in February.

Even if the legislation had been tabled this week there would not have been time to do anything more than open debate. That is a fact in reality the hon. member should recognize as House leader for his party.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, this is an ongoing problem. We have had this problem for months, ever since the Liberals took over.

Today the President of the Treasury Board announced further delays in reform of the MPs' outrageous pension plan. Is this delay symptomatic of a government that cannot find consensus in its caucus, will not allow free votes, and therefore avoids trouble by denying Canadians prompt introduction of promised legislation?

• (1450)

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the department is going to be going for another three or four years. Nobody is retiring or leaving. I do not think any of the members opposite are planning on doing that. There is plenty of time to deal with the issues.

We are continuing to review the matter and to look at the various options. We have a number of things the government is putting forward to meet all its obligations. We will meet our obligations under the red book commitments with respect to MPs' pensions, to end double dipping, and to deal with the question of a minimum age.

* * *

INDIAN AFFAIRS

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

After several weeks of investigating native government on the Maliseet reserve near Woodstock in my riding, the *Telegraph Journal* has made some very serious allegations regarding the expenditure of federal funds.

Could the minister provide the House with information concerning the allegations over mismanagement of funds in the first nation and any information relative to an RCMP investigation?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, band members at Woodstock First Nations have made allegations against their chief, Mr. Len Tomah, who has been chief for about 10 years. The RCMP is investigating. The file is not closed to date. Obviously it has not obtained sufficient evidence to lay any charges.

I hesitate to discuss an ongoing case in the House because we have a system of justice, fairness and due process based on facts, not on allegations. Within that regard I want to assure the member of two things. First, there will be full and complete co–operation by ministry officials with the RCMP and, second, there will be no interference with the RCMP investigation.

* * *

[*Translation*]

DUAL CITIZENSHIP

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

Last June, the Liberal majority on the Standing Committee on Citizenship and Immigration, supported by the Reform Party, adopted a report on the Citizenship Act, which included a recommendation to eliminate a long standing right in Canada to hold dual citizenship. The Bloc Quebecois objected strenuously to this recommendation.

Can the minister confirm that his government intends to accept these recommendations to abolish the right to hold dual citizenship in Canada, a right that is recognized by more and

more countries, including Italy, Australia, Switzerland, Great Britain, France and the United States?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, as the Prime Minister confirmed a few days ago, the Canadian government and the Parliament of Canada will ultimately decide citizenship matters.

It is true the Standing Committee on Citizenship and Immigration was asked to do a study and report on how we could upgrade our Citizenship Act, which has been untouched virtually for some 20 years. There were many recommendations within that report and dual citizenship was one of them. The report and those recommendations are currently before cabinet. One would expect that those amendments would come to the House next year.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, The minister did not answer my question. Would the minister agree that this recommendation is a blatant attempt at blackmail, to scare Quebecers on the eve of the referendum on sovereignty?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I hate to disappoint the member but it is absolutely false and irresponsible to say that about members of Parliament from all parties who worked hard on the Citizenship Act.

They heard issues being raised by the public. They travelled. They had representations made to them. On balance the report made a very worthy set of recommendations.

The dual citizenship which the member outlines was only one of many recommendations. It would be absolutely unfair if we were simply to lift one recommendation from a generally good report. Instead we should deal with it on balance in a comprehensive and fair way.

* * *

NATIONAL DEFENCE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, some senior officers at national defence headquarters are drawing separation expenses, that is they are being paid an allowance because they have chosen to retain their home elsewhere during their tour of duty here in Ottawa.

No one would object to reimbursing out of pocket expenses during a temporary dislocation from home and family. But when such reimbursement becomes a permanent part of an individual's pay package something is wrong with the system.

• (1455)

Will the Minister of National Defence advise the House how long that is, for what period of time separation allowance is normally paid?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for his question. I am sure it is posed within the context of his concern for Canadian forces personnel.

In response to his question I have three points to make. The first one is that the program he talks about is called imposed restriction. It is related to the mobility that Canadian forces members have compared to any other part of Canadian society.

The second point I would make is that there are 900 members of the Canadian forces involved or less than one per cent and 65 per cent of them are non–commissioned members.

The third point is if he has any indication the regulations are not being followed properly and there are some unauthorized things happening, I think he owes it to the Canadian public to be more specific to me and to the minister.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I have a supplementary question.

We are talking about $12 million a year here. One individual received separation allowance for a full year, almost $20,000. Another received over $86,000 for a period of more than four years. All this is in addition to their normal pay and allowances.

Why would the Department of National Defence allow these two individuals to remain separated from their families for so long, knowing it was costing the taxpayer well over $100,000 in separation expenses?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member knows the management of personnel in the Canadian forces is a complex task with many different dimensions.

He also knows that the military career requires a much greater degree of mobility than any other segment of Canadian society. This imposes stress on individuals and their families and a much greater burden on the organization itself, considering their families. I am quoting from a report which the hon. member signed.

* * *

EDUCATION

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, my question is for the Minister of Human Resources Development.

The minister will know that for good reason criticisms have come forward over his proposal to cut $2.5 billion from post–

secondary education. The criticism is based upon the need to ensure that Canadians are better educated, not worse educated. Provincial education ministers have expressed concern, at the least, and some have indicated that the proposals are disastrous.

I wonder when the minister will stop hysterically attacking provincial cabinet ministers who disagree with him and start listening to those ministers who want to save post–secondary education in Canada. When will he stop this disastrous attack on post–secondary education and Canadians in general?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is incumbent upon everybody involved in looking at the whole need to restructure our social framework, including the way to provide for higher education, to deal with the facts. The facts are that over the next several years the revenue going to the provinces substantially increases, not decreases, as a result of the growth in revenue coming from the tax points.

When certain provincial ministers refused to acknowledge both that fact and their responsibility to ensure that those increased revenues were in fact turned over and transferred for investment in higher education, it does deserve some rebuttal to show that responsibility must reside where it is clearly placed on provincial ministers to make sure they spend the money the federal government transfers to them for the betterment of higher education.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, I wonder what world the minister lives in. He used to be a university professor. He should understand what post–secondary education is all about.

How can doubled tuition fees and skyrocketing student loans possibly help Canada, Canada's students or the future of the country?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is precisely because I spent some time in the university system that I know there is much room for serious reform, serious restructuring and serious modernization of the system so that we can reach out to far more students.

The proposal under the green paper is to provide increased accessibility for another quarter million Canadians. That requires reform on the financial side and begins to require serious reform and consideration by those in the academic community to look at how they are spending money and how they are investing money to get full value for it.

* * *

• (1500)

CABLE TELEVISION

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Cable companies are now providing unordered cable service and automatically billing consumers for a service they did not request or may not even want. This puts the onus on the consumer to write to the cable companies to inform them that they do not want this service.

Can the minister please tell us what it is he is planning to do to end this unfair marketing?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am sure many consumers welcome the hon. member's question.

The marketing technique known as negative optioning is one that comes under the jurisdiction of provincial consumer legislation. However, the CRTC is responsible for ensuring that cable operators provide all information available to consumers so that they know the choices which are available.

* * *

[*Translation*]

PRESENCE IN GALLERY

The Speaker: Dear colleagues, I wish to draw your attention to the presence in our gallery of Mr. Joseph Fignolé Jean–Louis, member of the Haitian Parliament and chairman of the Public Works and Communications Commission.

Some hon. members: Hear, hear.

* * *

[*English*]

PRIVILEGE

ORDER PAPER QUESTIONS

Mr. John Cummins (Delta, Ref.): Mr. Speaker, I rise on a question of privilege today in relation to a discrepancy between a response given to the House and myself regarding Order Paper Question No. 82 standing in my name and the answer I received to an access to information request. I have advised the Minister of Fisheries and Oceans of my intention to rise today on this issue.

Mr. Speaker, with your permission, I would first like to state the case to demonstrate the discrepancy and then present supporting precedents. My question was: What effect did the late signing of the aboriginal fisheries agreement in British Columbia have on the Department of Fisheries and Oceans—

The Speaker: Order. I am sure all hon. members will want to listen to this point of privilege. The hon. member for Delta.

Mr. Cummins: In his response on November 10, the minister stated that while negotiations on agreements with aboriginal groups for the management of aboriginal salmon fishing were in many cases protracted, leading to delays in signing of agreements, these had little impact on agreements and fisheries regulations. I emphasize the words "little impact".

Access documents which I received December 7, 1994 contradicted the minister. I will bring several of these contradictions to the attention of this House.

In a memo dated August 17, 1994 approved by D.D. Aurel, Chief of Conservation and Protection, Fraser River Division it is stated: "The late signing of the aboriginal agreements has also resulted in difficulties in respect to proper management of the fishery and, in many cases, bands have not been able to abide by the terms of the agreement".

The second point states: "The lateness in the signing of the 1994 aboriginal fishing agreement has resulted in the breakdown of effective management of the native fishery on the Fraser River. Again, many aspects of the agreement failed to materialize or were simply neglected. DFO officers were unable to perform their duties".

The third point in the memo states: "The late signing of the aboriginal fishing agreements has contributed to management's reduced capacity to adequately monitor the fishery, provide accurate catch information and provide enforcement of the regulations governing the fishery on the Fraser River between Steveston and Lillooet during the period of June 25 to July 31, 1994".

In a memo dated September 19, 1994 to Paul Sutherland, Acting Regional Director, Pacific Region from the Director of Conservation and Protection, Pacific Region it is stated: "The major aboriginal agreements were not signed until well into the month of July 1994. As such there would have been no designated aboriginal guardians patrolling their early fisheries until such times as the agreements were signed. This created a gap not only in the enforcement program but also in the monitoring of the early portion of the fishery".

• (1505)

The second point of the same memo: "In addition, there were a number of start–up problems with the guardian program once the agreements were signed, including the lack of an enforcement co–ordinator until mid August. There was therefore a lack of direction for those aboriginal guardian staff who were hired by the bands until the enforcement co–ordinator position was filled".

On August 22 the Fraser River fishery catch estimation was addressed to the Chief of Conservation and Protection, Pacific Region from the Field Supervisor, General Investigation Services, Fraser River Division and stated: "Agreements in the Sto:Lo and Musqueam–Tsawwassen areas were not signed and hence no mandatory landing program was in place until well into the early Stuart sockeye migration in the lower river with a potential unreported catch in this fishery".

These documents indicate that the late signing of the AFS agreements had a massive impact on the enforcement of the agreements and fisheries regulations. The documents contradict the minister. The minister knew this. In early November of this year he met with fisheries officers of Vancouver and discussed the shortcomings of the enforcement regime in place last summer.

The rights of the members of this House include the right to accurate information. Beauchesne's sixth edition states in citation 24:

> Parliamentary privilege is the sum of peculiar rights enjoyed by each House collectively as a constituent part of the High Court of Parliament, and by Members of each House individually, without which they could not discharge their functions.

Surely we must expect the responses to Order Paper questions to be accurate and well–reasoned. I placed that question on the Order Paper recognizing it was one that required detailed study by the government because I wanted a detailed answer. After all is that not the purpose of such questions?

In speaking to a similar discrepancy to an Order Paper answer and access to information documents, the member for Kingston and the Islands in 1990 stated: "The information provided to the House must be accurate and must not mislead the House".

I offer for the Speaker's consideration the 1978 decision where the member for Northumberland—Durham raised a question of privilege in the House of Commons. The then Solicitor General had written and provided information which later proved to be erroneous.

On December 6, 1978 the Speaker indicated as reported at page 1857 of *Hansard*: "I therefore find a prime facie case of contempt against the House of Commons". If it was contempt against the House of Commons to provide a member of Parliament with erroneous information, then surely to provide the House itself with erroneous information through a written reply to a question on the Order Paper would also be a prime facie case of privilege.

It is incumbent upon the government to provide through the Order Paper not only the questioner, in this case myself, but the House accurate information in order for us as parliamentarians to discharge our functions appropriately.

I have been able to get accurate information under access to information. Both the access request and the Order Paper question were submitted in late September. How is it that the minister could get away with inaccurate information responding to an Order Paper question in the House?

The response given in this House would have been illegal under the Access to Information Act. If members want accurate information, is it necessary to go to access to information rather than to this House? Surely members of this House should expect a standard of accuracy that is as high as that received under access to information.

Mr. Speaker, should you rule that I have a prime facie case of privilege, I am prepared to move the appropriate motion and send the issue to a parliamentary committee.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member has raised a point that in substance at least in its pith is correct. He says that Parliament is entitled to accurate information. I quite agree with him.

In providing answers to questions the government makes every effort to ensure the information provided in the answer is accurate. If the hon. member in his question has raised points that merit looking at, I am sure the minister of fisheries will take the matter under complete advisement.

• (1510)

If there is a supplementary answer or a correction to be tabled in the House, the government will have no problem whatever in doing that. Your Honour, I know the government is entitled to table supplementary answers to questions that have already been answered where it turns out that additional information comes to light or there has been some error or some misinformation.

I know that the minister of fisheries in answering these questions, as all ministers, has striven to make sure that the answers are full and complete and correct. As someone who has some role in tabling the answers in this House I work with the ministers and their staff and with the persons who provide these responses by the government to ensure that the answers are full, complete and correct.

I know there has been no attempt here to mislead. I am sure the minister of fisheries heard the hon. member's submissions and will note them and will review them. If there are corrections to be made, a supplementary answer will be forthcoming.

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I would like to make a brief intervention. I submit that while the hon. member has demonstrated an interest in the issue of the management of the Fraser River salmon it is clear he has not demonstrated a breach of his privileges.

The member in his summation said that the information given on September 23, 1994 is not absolutely complete and the minister knows it is not complete because in early November, six weeks later, he met with enforcement officers in Vancouver who gave him additional information.

If you check the "blues", Mr. Speaker, because I listened very carefully, you will find that is exactly what the member said, that the minister should have known better on September 23 and had a more complete answer because on November 2 the minister met with enforcement officers and was given additional information.

I want to confirm that as the member knows, I did meet with enforcement officers on November 2 at DFO headquarters in Vancouver. I was given additional information. As a consequence of that additional information I set up a panel which in the last week has held public hearings in British Columbia listening to every single stakeholder group talking about the management of salmon on the Fraser River. The member knows that as well, even though he has called into question the integrity of this panel which is chaired by none other than the former Speaker of the House of Commons, the Hon. John Fraser.

Let me say this to the member and let me say to you, Mr. Speaker, that at the time the question was asked the answer which was given makes reference to the fact that delays in signing agreements have had little impact, it says, on the enforcement of aboriginal fisheries. That is the information the minister had. I learned subsequently in discussions with enforcement officers over a full month later of additional concerns.

We have acted to have a total public review to deal with those concerns. I have a review going on internally in the department to deal with concerns about enforcement. Nobody is attempting to mislead anybody. The member is a month behind the process. We were already working on the problem before he even brought it to the House.

The Speaker: I do not in any way minimize the seriousness of this question of privilege raised by the hon. member for Delta. He surely has a grievance which perhaps can be corrected without proceeding to a complete point of privilege. I would hope that the hon. member for Delta and perhaps the member for Kingston and the Islands and the hon. Minister of Fisheries and Oceans might come together to resolve this particular grievance.

I want the House to understand that I do take this very seriously when a member feels that he or she is in any way impeded from performing his or her duties as members of Parliament.

I would give this assurance that I will return to the member for Delta if indeed he does not get a response to his grievance in discussions with the hon. member for Kingston and the Islands and the hon. Minister of Fisheries and Oceans. I will leave it at that for the time being.

• (1515)

Mr. Cummins: Mr. Speaker—

The Speaker: Order. Is this on the same question of privilege?

Mr. Cummins: Yes, Mr. Speaker. I want to correct the record on a point made by the minister.

The Speaker: I wonder if the hon. member might consider my suggestion. We could let this sit at this point with the full assurance of the Chair that I will return to the member if his grievance is not responded to in a satisfactory manner. Can we leave it there?

Mr. Cummins: Thank you very much, Mr. Speaker.

Mr. Milliken: Mr. Speaker, a point of order. I think you might find there is unanimous consent in the House to revert to statements by ministers so that the Minister of Transport can make a brief statement.

The Speaker: Is there unanimous consent to revert to statements by ministers?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

CP RAIL

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the House will know that on September 21, CP Rail System tabled an unsolicited bid of $1.4 billion for the CN North America eastern rail assets.

I am announcing today that the Government has rejected CP's offer and is not prepared to entertain any further the sale of CN Rail assets.

[*English*]

In reaching our conclusions, we reviewed the business and policy cases beyond the financial implications of the deal. Canadian Pacific's bid would have had a substantial impact on employment, the rail network and the cost of rail service for eastern shippers. The government was also concerned about the impact that the transaction would have had on CN's remaining western operations.

We must address the fundamental problems facing the rail industry to ensure that the sector is viable, competitive and continues to meet the needs of Canadian shippers. A series of meetings have been held with shippers and other stakeholders in all regions of the country. This phase of the consultation process will wrap up with a national shippers' meeting in Ottawa tomorrow.

I have also asked a committee of members of Parliament headed by the member for Kenora—Rainy River to discuss with Canadians the feasibility of commercializing Canadian National. I look forward to the recommendations that the member and his colleagues will bring forward, particularly with regard to the possibility of employee participation in any commercialization of Canadian National.

[*Translation*]

We will announce a comprehensive and workable rail policy framework in 1995. We must put the Canadian rail sector on a stable footing and try to maintain a healthy level of competition within the rail industry and against other modes.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, even if we did not have the opportunity of looking at the details of the CP offer, for lack of relevant documentation and because the government did not deign to consult us, the opposition is nonetheless relieved to learn today that it has decided to reject the offer.

Indeed, we are of the opinion that CP's bid was too low, as pointed out in a study by Morgan Stanley, and involved too many drawbacks for the people of Canada and Quebec.

We were not unconcerned by the creation of a monopoly east of Winnipeg and there was no indication of how local railways would be treated under this new monopoly. We do agree with the government: this offer of CP Rail had to be rejected on financial and public interest grounds.

However, the question of Canadian National and the Canadian rail system still remains unresolved. It is particularly disappointing to see how undemocratically the Liberal government is treating the opposition around this issue. No opposition member, neither from the Bloc Quebecois nor the Reform Party, was asked to sit on this committee.

• (1520)

This is above all a partisan parliamentary group studying the privatization of CN. The eight Liberal members and the federal senator on the committee have worked their way toward recommendations which have no doubt already been drafted, long before the so–called hearings are over.

On February 18, as the Official Opposition's transport critic, I asked the Standing Committee on Transport to give priority to the matter of rail service. I asked again when the House reconvened on September 19, and the minister's response was the creation on September 29 of this partisan Liberal working committee.

Last week in committee, although it had been agreed to put aside consideration of the national airport policy to concentrate on ports, we again asked the committee to give priority to rail issues and travel to the regions to hear what the people have to say.

The government is set to introduce a global rail policy in 1995 without even consulting the elected members of the opposition. I hope that the government will reconsider its approach in this matter, and not in cavalier fashion either, because it is totally unacceptable. We hope that the minister will be much more open and democratic with the democratically elected members of the opposition.

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I can go along with the minister's decision not to accept CP's offer but not the part that states the government is not prepared to entertain any further offers for the sale of CN Rail.

The formation of CN Rail began in 1917 when numerous small rail companies found themselves in severe financial trouble. The root cause of the rail industry problem even then was an excess of trackage. Once formed, CN commenced an aggressive program of expansion, despite evidence that there was already excessive trackage in Canada. In order to compete CP Rail was forced to expand as well. The results were inevitable.

In 1937 CN's debts were a major problem so the government of the day cancelled them. It was a Liberal government. No one addressed excess trackage which resulted in CN again finding itself in severe financial trouble in 1952. Once again the government of the day entered the picture and bailed them out. Once again the government of the day was Liberal. Still no one addressed the problem of excess trackage.

During the next two decades CN, despite losses of approximately $25 million a year, continued capital spending of up to $200 million a year. The results were once again inevitable. Enter the government in 1978 with yet another bail–out and, yes, once again it was a Liberal government.

It appears the latest Liberal government is now prepared to be the fourth to bail a government company out of trouble so that it can compete with a public company using the taxpayers' money as a subsidy. That is not acceptable.

A task force to study this, made up of only Liberal members who have an obvious political agenda to maintain this unviable rail company, is not acceptable.

Yesterday I made a statement in the House indicating my expectation of the government's position based on my observations of the task force in action. The task force had a predetermined policy and only went forth to manipulate people into accepting it.

The only solution to Canada's rail problem is the privatization of CN. Whether it is sold as a whole entity or sold in part is not the issue. After almost 80 years of problems it is time for the government to butt out. Government interference causes rather than resolves problems. Reduce government's role to a regulatory position and allow the marketplace to resolve the problem. They will do a far better job than politicians and bureaucrats ever could.

• (1525)

The Acting Speaker (Mr. Kilger): I wish to inform the House that pursuant to Standing Order 33 because of the ministerial statement, Government Orders will be extended by eight minutes.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT EQUITY ACT

The House resumed consideration of the motion.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I look forward to resuming debate on Bill C–64.

To sum up what I have already said, as a Reformer I stand by and support the concept of equality for all Canadians, whether that equality be in law or in opportunity in the marketplace. As a Reformer I am strongly opposed to the injustice of establishing employment goals for designated groups. I have listened to young people who also resent the inference of inequality of such employment equity legislation as we see today.

Visible minorities do not want this type of help as it creates resentment not only within their own communities but also in their efforts to be accepted as equals within the larger community.

A young second generation Chinese Canadian journalism student recently shared her frustration in my constituency office. Despite her excellent qualifications, the recognition that she had received was lessened by the question of whether her success was in fact a token of her perceived difference rather than reward for her unequivocal excellence. Tokenism has no part in Canada if we truly believe in equality.

It is the government's job to provide the means for equality of opportunity. It is not the government's job to push unjust and unfair equality of results in the marketplace. Employment equity is unnecessary and it is unwise as it institutionalizes the very notion of discrimination that it purports to reject.

Years ago as society's architects only mused about the notion of legislating hiring practices, Martin Luther dreamt of a society that was blind to race and gender. "Judge us not by the colour of our skin but by the content of our character" he implored. How sad that Canadians are being driven to adopt policies that deny the very principles we hold dear. These are principles that are upheld by Canadians of all abilities and backgrounds. These are principles that will lead us to the prosperity we deserve as a great country, principles which we have presented in this brief discussion.

The legislation of Bill C–64 works against the principles I have described, principles of equality, of fiscal accountability and of the excellence of all Canadians in our society.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, my brief remarks are designed to repeat some of the basic arguments against pay and employment equity which underlie Reform's opposition to Bill C–64.

Reform believes that government should assure equality of opportunity in economic life, but it has no business using the labour market to assure equality of outcome. Doing so interferes with basic freedoms, makes false assumptions about the causes of inequality, creates large inefficiencies and is basically unjust.

Consider the problem with freedom. Canada has developed into a prosperous society by upholding basic personal freedoms. One of these consists of the ability of individuals to sell their labour services to the highest bidder and for employers to choose freely those whom they wish to hire as long as they do not interfere with the fundamental freedoms of others.

These freedoms are an end in themselves, but they also are the engines which drive economic activity in a market economy that has produced the riches our society enjoys today.

Throughout the world and history people have died for these freedoms. We all remember the American civil war. Slavery represents the extreme limitation on people's freedom to sell their labour services to the highest bidder. Employment and pay equity legislation imposes on free Canadians just a bit of such slavery. Our society is on a slippery slope.

• (1530)

Consider the idea that existing inequalities between groups is due to discrimination. Reform believes that this proposition is based on false assumptions and empirical evidence. Studies by Tom Sowell at Stanford University have shown that Americans of Japanese origin as a group have much above average U.S. income.

My former colleague, Don DeVoretz at Simon Fraser University, has shown that immigrants on average have higher incomes than people born in Canada. The recorded extraordinary success of these two groups is indicative of the impossible task of establishing that group disadvantages are caused by discrimination based on race, gender or national or ethnic origin.

Economists led by Nobel laureate Gary Becker have long argued that free markets offer the best protection against discrimination. Consider a firm that gets paid $1 for the assembly of a computer component. The wage rate is $10 per hour and the average male is able to complete 10 units per hour. Consider that women have greater dexterity and are able to assemble 12 units per hour. Any firm which refuses to hire women for this task is at an obvious competitive disadvantage with a firm that does. It will ultimately go out of business.

Students of labour markets have been able to show that discrimination in the labour market has historically persisted only in instances where government regulation or government enforced monopolies like labour unions have prevented the adjustment from taking place.

Bill C–64 and similar legislation involves serious costs. Bureaucrats, lawyers and the police needed to enforce such legislation are not available to produce goods and services that determine our living standard. The private sector incurs large administrative costs. In addition there are the costs of lost efficiency. Goods and services will no longer be produced using the lowest cost.

In the United States affirmative action has been estimated to result in lost output equal to 4 per cent of national income. Since Canada may be assumed never to want to lag behind the U.S. in such social legislation for long, we may soon expect at least such cost.

The ultimate cost of governmental attempting to create perfect equality of incomes has become obvious through recent developments in socialist and communist governments around the world. Employment and pay equity in these systems had been perfected. Now communism and socialism around the world have failed or are in retreat.

What does the Liberal Government of Canada do? It pushes state efforts to achieve equality of income by applying it to the civil service. In addition, the recent Liberal recommendations to the finance minister in the report of the Standing Committee on Finance bragged about the fact that if adopted they will further equalize income. Have the Liberals learned nothing from history?

Let me now discuss briefly the sense in which the proposed legislation is basically unjust. Using the course of power of the state to help one group of disadvantaged individuals automatically discriminates against others and deprives them of their rights and freedoms without due process.

These groups are paying a discriminatory tax and are implicitly declared guilty of discrimination. Reform sees no justice in forcing young people belonging to one group to pay today for discrimination that may or may not have taken place in the past.

By the same token, where is the justice in giving members of minority groups alive today benefits in return for injustices real or imagined suffered by past members of this group?

Let me close by reminding members of the slippery slope on which we find ourselves. In one of his novels, Kurt Vonnegut describes a world in which state created equality of outcome was perfected.

• (1535)

It had moved from assuring pay equity to equity in looks and sports. In Vonnegut's brave new world, good looking people had to wear glasses and other devices to assure equality of looks with those disadvantaged by nature.

Gifted athletes were made to wear heavy weights to assure that they were able to jump no higher and run no faster than the rest. In the end, the hero of the story discards the starting post equalization devices and enjoyed his life to the fullest for a short time until he entered jail for the rest of his life.

Whenever it is impossible to make a strong intellectual case against the government policy like pay employment equity the question arises why governments persist with such policy. Public choice theory of government provides the answer.

Such legislation serves the interests of politicians and parties. Identifiable groups are given benefits and they are expected to reward the donors at the ballot box and with financial support. The cost of the legislation in terms of lost freedoms, discrimination against the innocent and reduced output are difficult to measure.

As a result the victims of the policy have little or no incentives and knowledge to punish the politicians who have imposed those costs on them. Such special interest group legislation slowly and exorbitantly lowers the income of Canadians and most tragically deprives them of their freedom.

Bill C–64 and similar legislated pay and employment equity reduce the welfare of Canadians. That is why Reform opposes it.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

During the ringing of the bells:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, I have been requested by the chief government whip to defer the division until a later time.

Accordingly, pursuant to Standing Order 45, the division on the question now before the House stands deferred until later this day at 5.30 p.m. at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

[*Translation*]

CRIMINAL LAW AMENDMENT ACT, 1994

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved that the amendments made by the Senate to Bill C–42, an act to amend the Criminal Code and other acts (miscellaneous matters) be concurred in.

He said: Mr. Speaker, I would like say a few words about Bill C–42.

[*English*]

The other place has now amended the bill in two respects but has otherwise passed it. I should add it has also made minor changes to certain parts of the French language version.

• (1540)

The two important changes which arise from the work of the other place should be mentioned briefly. Clauses 61 and 62 have been deleted. Clause 61 would have replaced section 604 of the Criminal Code. It would have prohibited the defence from publicizing information received from the prosecution in the fulfilment of the crown's disclosure obligations.

The limited purpose of the amendment was to ensure that this information would only be used to prepare the answer and defence in the courtroom.

The committee of the Senate felt that a number of related issues should be dealt with at the same time. I am able to tell the House that is going to be possible because the government is now looking at the prospect of codifying disclosure requirements arising from the Supreme Court of Canada judgment in Finchcomb as part of our work toward the reform of the preliminary inquiry and criminal procedure generally.

We agree with having clause 61 removed from the bill. Now it can be dealt with in the context of the broader treatment of

disclosure and we accept that change for the very good reasons given by our colleagues in the other place.

The second clause deleted is clause 62. That would have amended section 648 of the Criminal Code to restrict publicity about certain jury trial proceedings that occur before the jury is empanelled.

It was the intention of the government in putting this clause in the bill to fill a gap which has existed for some time and to provide for orders banning publication in those cases in which pretrial motions concerning the admissibility of certain evidence were heard in courtrooms before the jury was actually sworn in.

The publication of such pretrial motions, particularly as they relate to evidence that might eventually be heard, might contaminate members of a prospective jury panel, might give them impressions or information about the evidence which would make it more difficult or impossible for them to serve impartially.

It was pointed out by the committee of the Senate which considered this clause that the language which the government used to achieve that purpose might be overbroad. It might be mandatory where permissive language might be preferable. In any event the provision, however worded, should permit the publication of matters other than those which might sway a jury if they were made public before the panel was sworn in.

We are happy to have that clause removed as well. We will consider it and try to meet the legitimate concerns that have been expressed. We will try to improve it and bring it forward at another time.

The government is indebted to the other place for its characteristically careful work, particularly the detailed analysis done in a very constructive way by the committee of the Senate. We are grateful if its work will result in an improved bill, a better law for Canadians.

[*Translation*]

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, I will be the only member to speak on behalf of the Official Opposition on Senate amendments to Bill C–42, an act to amend the Criminal Code and other acts. As far as we are concerned, we, the voice of democracy, have already made ourselves heard when the bill was read the third time and passed in this House, on October 4, 1994.

If I rise today, it is to denounce the amendment process used by the other chamber of this Parliament. The Standing Committee on Legal and Constitutional Affairs of that institution tabled its recommendations on December 12. The committee suggested that some amendments be made. The spokesperson of this committee of the other place complained about the Criminal Code review process as well as that used for Bill C–42.

• (1545)

In his view, it would be highly desirable in the future that such bills be submitted to the other place first. He says that the other place has proven itself in that area.

The Bloc Quebecois has always been openly opposed to the existence of an institution like the other chamber of this Parliament. Let me tell you why.

The primary function of the other chamber of this Parliament should be akin to a consideration and review process to put the brakes on the House of Commons. The role of this institution is supposed to be to counterbalance the parliamentary executive. The Fathers of Confederation gave the other place the means to act as a federal chamber looking after the rights of the provinces, the rights of the regions, and to guarantee their participation in the federal legislative process.

We are forced to recognize that such is not the case however. The inherent goals of this institution of the Parliament of Canada have been replaced with less noble and less democratic goals, such as thanking friends of the regime and representing a handful of groups with interests often less than compatible with those of a true democracy. The elitism prevailing in this obsolete institution is not reconcilable with democratic activity. We, the Official Opposition, think that it is up to the elected representatives of the people of Quebec and Canada in this House to pass or reject the legislation introduced by the government.

Therefore, we are not interested in giving consideration to the amendments suggested by the members of the other place. The amendments proposed by the house of partisan appointments in regard to this bill clearly demonstrate the uselessness and the waste of time, energy and money generated by the activities of the members of the other place.

Notwithstanding the respect we may have for some members of the other place, the fact remains that their work can often amount to mere stylistic or cosmetic changes. We see the legislative role of the other chamber as unacceptable overlap, especially in these times when we have to put public finances in order.

Is it justifiable to spend $26,952,000 a year so that the other place can tell us that a bill we have just passed, on which all democratically elected members of this House voted, needs cosmetic or stylistic changes?

Allow me to quote a short passage from a speech delivered on June 8 by my colleague from Richmond—Wolfe: "The Bloc has always spoken out against the existence of a Senate, and I would like to demonstrate that this institution is, in our opinion, as archaic as it is useless. This institution is nothing more than an excuse for the government to reward its friends, be they Liberal or Tory, who will then work—in true partisan fashion—for the government or for the interests they represent".

No, we do not need the other chamber. Given the current lack of constitutional progress, I understand how some members of the other place, with pensions and perhaps a passion for passive political life, would want to justify their salaries. But all this only adds to a system which is already too heavy and costly.

Furthermore, this does not enhance in any way the process to consult on and pass a bill already approved by all members of this House.

Let us have a quick look at the proposed changes. There are six amendments, including two technical changes and two somewhat questionable stylistic changes. The last two amendments suggest that the members of the other place did not understand the purpose of Bill C–42, since their amendments deal with protecting the right to a fair and equitable trial and with the obsolescence of a current provision in the Criminal Code.

• (1550)

As you can understand, we refuse to give any consideration to the amendments proposed by the other place, since it does not represent anyone, has no mandate from the population and is to all intents and purposes a mere patronage nest or, if you prefer, a haven of recognition, pure and simple.

We will therefore vote against the amendments proposed by the other place, since they are, in our opinion, cosmetic in nature and questionable and come from an institution without legitimacy in the eyes of the Bloc Quebecois, the official opposition. I am sure that the vast majority of Quebecers will support our position on this.

[*English*]

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, it is a privilege to speak again on Bill C–42, although I did not expect to be doing so when I last spoke on this legislation on October 4. At that time the Reform Party agreed with the majority of the bill the way it stood and therefore proceeded to committee of the whole and quick passage through the House of Commons. We had one clear objection at that time but it now appears the House of sober second thought has had some other ideas about the bill.

The amendments deal with the French version of the text and are apparently only housekeeping items that I am sure better clarify the meaning of the text. The amendments of concern are those to clauses 61 and 62. Clippings of newspapers were filled with editorials and columns urging the Senate to reject these two clauses of the bill. Apparently the Senate listened well and proceeded to send the bill back to the House with those two deletions. Here we see the power of the media at work.

I am not going to criticize the Senate for sending the bill back with amendments. That is what it is supposed to do. However, I am sure the Senate could have made other more important amendments that would have strengthened the legislation.

Clause 28(3) of the bill states: "Everyone who commits mischief in relation to property that is a testamentary instrument or the value of which exceeds five thousand dollars". The bill would replace the word "one" with the word "five". Why did the Senate not bring forward an amendment to this part of the bill? The reason is clear. The bleeding hearts think this would be too cruel, too onerous. They did not think twice on this one.

In 1954 the dollar indicator for theft over, theft under was $50. The next time this clause was changed was in 1975 when it became $200. The law as we know it today was amended in 1985 to $1,000. The punishment for theft over is an indictable offence and liable for imprisonment up to 10 years. For anything under $1,000 the punishment is usually a summary conviction with minor consequences available.

The government must realize that when it brings forth amendments it will set a precedent on amendments in the future. This government does not think logically. Neither does it consider the past nor the future.

Property crimes in Canada historically account for approximately two–thirds of all Criminal Code offences. In fact in 1990 thefts over and under $1,000 comprised over two–thirds of all property crimes reported to police.

The area of concern is theft over. From 1986, one year following the dollar cut off being raised to $1,000 until 1992, theft over had increased by 9 per cent. I am sure the government at the time felt that raising the rate from $200 to $1,000 would help curb the property crime rates.

Now today with Bill C–42 the government hopes that by raising the limit from $1,000 to $5,000 this increase will help curb property crime rates in 1995 and beyond. The government should take a careful look back at history and see how things failed before charging ahead with an idea that it only hopes will work for the best. In my opinion the government should keep the dollar amount at $1,000. Getting softer with criminals is not going to reduce the crime rate. It will perhaps only increase it.

Bill C–42 was first read on June 15, 1994. The member for London West spoke on October 4, with a speech that perhaps could have been prepared by one of the minister's staff. In that speech she said: "It is important that the rights of accused persons to a fair trial before an impartial jury not be compromised by premature publicity of information which may or may not be relevant in admissible evidence".

The hon. member went on to say: "The rights of witnesses and victims also require protection from the needless public disclosure of personal information. A prohibition would be created to ensure that sensitive material disclosed to the accused for the purposes of making a full answer in defence is not made public for that purpose. This will serve to maintain the balance of interests between the right of the accused to a full answer in a

defence and the confidence the public needs to encourage co–operation in criminal investigations and prosecutions".

• (1555)

The member in her speech stressed that this provision would protect the rights of the witnesses and the victims from needless public disclosure of personal information.

If the member for London West agrees with the justice minister that these two amendments are necessary, that would mean she believes that without this provision in Bill C–42 the rights of witnesses and victims will not be protected because this is exactly what she implied in her speech. Will she come forward and back up the words she spoke in this House on October 4? Not in a million years.

The minister clearly liked the bill or he would not have endorsed it. Now he is endorsing a major change to the bill. Was he influenced by the Supreme Court, his colleagues in the Senate, or was it the backbenchers of the Liberal caucus? Will these groups be factors in other bills, say perhaps in Bill C–41 which is also raising its fair share of controversy?

We are in support of the amendments that have come back from the Senate. However, we are simply frustrated that there were not more changes to other important parts of the bill, namely the theft over clause. Reformers want a more open system of the courts and of government. Do the Liberals?

The public and the media have been screaming to open the courts for all to see and know. Perhaps it is for inquiring minds and perhaps it is for future safety. Reformers look at it for safety and the principle of general deterrence. That is why we recommended for the disclosure of names of young offenders, simply for the good of public safety.

Canadians apparently have been calling for a lift on publication bans and the Liberals listened for now. Good for them for listening. Canadians have definitely called in a louder voice for the names of young offenders to be released, but the Liberals' ears all of a sudden go deaf. Something is definitely wrong.

The minister can stand before this House today and say he is in support of the amendments which come from the Senate but look for future alterations to this same section of the Criminal Code. The minister has said he will try again with these limits. The Liberal member for London West clearly spelled it out in her speech: "Historically this bill and ones like it were introduced on a regular basis. However the last such bill was introduced in 1985. The Minister of Justice intends to return to the previous pattern. He anticipates bringing forward a second bill of this nature once Parliament has dealt with this one". Need I say more?

The chamber of sober second thought did not have enough second thought about what the public wants in view of the demarcation of theft over and theft under. Alternately, deleting clauses 61 and 62 leans toward more openness and disclosure in the courtroom. The top court of the land has said that freedom of the press and the public's right to know what goes on in court should be accorded equal weight with the constitutional right to a fair trial. The public must be vigilant for systems and bureaucracies have a tendency over time to become insular and self–serving, thereby more closed to its operations to not submit to public scrutiny.

We have heard from the other place. They apparently are awake over there. If however the system or this government has failed in respect to the measure of theft over and theft under in the definition, then I call on the government not to proclaim this specific section until broader public support can be demonstrated for it. It is my reading of the public mood that the theft over line is going in the wrong direction.

We are in support of the amendments that are before this House today dealing with Bill C–42. I think I have clearly gone on record to state the dissatisfaction we have with the performance of the Senate and the lack of amendments it produced.

Bill C–42 is a housekeeping bill. The minister is accepting a change from the other place. May he also heed what I am saying today for the Canadian public is also listening.

Mr. Rock: I am grateful for this opportunity, Mr. Speaker. I just want to comment on one aspect of the hon. member's statement concerning these amendments to the bill.

As I understood the hon. member he referred to the change in the value of property involved in crime in an effort to influence the incidence of crime reporting or the crime rates. Perhaps I did not understand the hon. member's point. I apologize if I have it imprecisely but let me just tell the House lest there be any doubt what our rationale was as a government for proposing that change.

• (1600)

The dollar amount of property involved in such crime is the demarcation point for determining where the trial of such charges occurs. At and below that amount the trial of such charges occurs in the provincial court and within the jurisdiction of a provincial court judge. By increasing the amount we have increased the number of cases that will be tried in that court, without the necessity for the more elaborate procedures of preliminary inquiry and the prospect of a trial by judge and jury.

The change is intended to reflect agreement on the part of participants in the criminal justice system—the provinces that administer the system, the prosecutors, the defence lawyers and government federally that writes the criminal law—that we should encourage the disposition of as many of these cases as

possible in the least expensive and most summary locale, which is the provincial court.

It has nothing to do with crime rates, nothing to do with percentages, but everything to do with the more efficient administration of justice and always in keeping with the right to a fair trial and disposition. I am grateful for the opportunity to clarify the matter.

Mr. Forseth: Mr. Speaker, the change for theft under or over also is a significant change to the available consequences. On the principle of stare decisis the justice minister knows that there is a going tariff for theft under. This is certainly going to change. For the public to get hold of the idea that the common tariff or consequence for theft under is now going to include property up to $5,000 is quite a considerable shock. When I mentioned this recently to some policemen on the street as I was riding with them on their shift they could not believe what Parliament was doing.

I ask the minister to perhaps consult further with the people at the line level and delay the proclamation of this amount.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

An hon. member: On division.

(Motion agreed to.)

* * *

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES ACT

The House proceeded to the consideration of Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts, as reported by the Standing Committee on Government Operations (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mr. Kilger): There is a ruling by the Speaker on Bill C–52, an act to establish the Department of Public Works and Government Services and to amend and repeal certain acts.

[*Translation*]

There are 11 motions in amendment on the Order Paper for the report stage of Bill C–52, an Act to establish the Department of Public Works and Government Services and to amend and repeal certain Acts.

Motion No. 1 will be debated and voted on separately.

Motions Nos. 2 and 3 will be grouped for debate but voted on as follows: an affirmative vote on Motion No. 2 obviates the necessity of the question being put on Motion No. 3. However, a negative vote on Motion No. 2 necessitates the question being put on Motion No. 3.

[*English*]

Motions Nos. 4, 5, 6 and 7 will be grouped for debate but voted on as follows. An affirmative vote on Motion No. 4 obviates the necessity of the question being put on Motions Nos. 5, 6 and 7. On the other hand, a negative vote on Motion No. 4 necessitates the question being put on Motion No. 5.

• (1605)

An affirmative vote on Motion No. 5 obviates the necessity of the question being put on Motions Nos. 6 and 7. On the other hand, a negative vote on Motion No. 5 necessitates the question being put on Motion No. 6.

An affirmative vote on Motion No. 6 obviates the necessity of the question being put on Motion No. 7. On the other hand, a negative vote on Motion No. 6 necessitates the question being put on Motion No. 7.

[*Translation*]

Motions Nos. 8 and 9 will be grouped for debate but voted on separately.

[*English*]

Motions Nos. 10 and 11 will be grouped for debate. A vote on Motion No. 10 applies to Motion No. 11.

[*Translation*]

I will now call Motion No. 1.

[*English*]

MOTIONS IN AMENDMENT

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 1

That Bill C–52, in Clause 7, be amended by adding after line 20, on page 3, the following:

"(*a*) refrain, where possible, from engaging in activities for or on behalf of any government, body or person in Canada or elsewhere that are in direct competition with private corporations, firms or organizations;

(*b*) ensure, where possible, that public disclosure of decisions and other information is complete and easily accessible;

(*c*) ensure that the Queen's Printer for Canada is operated efficiently and competently, maintaining as a priority the effective use of tax dollars;

(*d*) ensure that the reduction of all costs remains a high priority in the operations of the Department;".

He said: Mr. Speaker, I begin my little speech about the motion to amend by saying that it has been a very frustrating experience to go through Bill C–52.

We are told it is a routine bill, one that has as its purpose to simply bring together a few departments into one. Actually it is an action that was done by the previous government and is now being rubber stamped by this one.

While we were told in committee to hurry, hurry, hurry and were not even allowed to listen to witnesses in some cases because we were in such a hurry, the message was obviously hurry up and wait. That was over a month ago. The bill has been on the Order Paper four times and now finally we are here.

I want to speak to the motion in amendment. First, this motion to amend standing alone is not very meaningful. We have to start by listening to the first part of clause 7 which states:

In exercising the powers or performing the duties or functions assigned to the Minister under this or any other Act of Parliament, the Minister shall

We are now suggesting that some four clauses be inserted on things the minister shall do. I must speak briefly about the process. In my little more than one year as a member of Parliament I have discovered that as government backbenchers or opposition members the only way we have any hope of changing anything is to persuade the minister to give the instruction that it should be changed.

However it is very difficult to persuade the minister if the minister will not hear. The only way to get the minister to hear is perhaps if we could ask Liberal members who are listening to hear the quality of the argument, to assess it and then to decide that perhaps these are well founded amendments that should be supported. If those members will then twist the arm of the minister so that he will give instructions on how the party will vote, the amendment will pass. If he does not do that then I speak here in vain.

• (1610)

Here are the arguments. The first paragraph states: "refrain, where possible, from engaging in activities in direct competition with private corporations". I want members of the House to know that my party and I have received a number of representations from individuals, groups and small businesses with grave concerns about the government entering into competition.

There is one kind of competition we welcome in terms of government. If an arm of the government has to compete with private enterprise where private enterprise has shown that it can do things more efficiently, we think the taxpayer gets the best break if the private organization will do the work at a lower cost to taxpayers. Very often when government gets into a position of competing with private enterprise it has a totally unfair monopolistic advantage.

The reason we are supporting this group of four amendments is that we want to ensure that business thrives and indeed survives. At least 80 per cent of the economic activity of the country is derived from small business. To ask these businesses to pay taxes that are used to provide financial backing to the government firm or the government agency to compete and undercut prices is a violation of a fundamental principle of justice and the principle of what is right.

Some may wonder about the wording because we have said: "refrain, where possible". It is because I am a bit of a realist and somewhat pragmatic. I realize the probability of the motion being passed would essentially disappear totally if we made the motion hard and effective the way it ought to be.

We want at least to insert into the bill the requirement that the minister "refrain, where possible". I do not know how he could determine this. There would be times when he would say it is not possible. I suppose that would be subject to debate and perhaps even a court investigation to see whether he was living up to the terms of this clause in the bill. The important point is that the minister would be given the directive to stay out of competing with private enterprise.

The second paragraph indicates that the minister is to "ensure, where possible, that public disclosure of decisions and other information is complete and easily accessible". One problem with the way government does business is in the area of questioning backroom deals. If we accept the integrity of the Liberal government, it has said in its campaign literature and has kept on saying that it wants honesty, openness and integrity. It would provide the minister with the ability to provide openness according to the standards of the governing party, according to its words. We are saying "ensure, where possible" so that it does not come in so hard that they say they are going to throw out the amendment of this renegade third party guy.

• (1615)

We want them to consider it seriously. That is why it has this little softening phrase.

The third motion is that the minister shall ensure that the Queen's Printer for Canada is operated efficiently and compe-

tently, maintaining as a priority the effective use of tax dollars. This is the missing ingredient in Bill C–52.

The overriding concern of Canadians from sea to sea is that we are not being responsible with their tax dollars. We need to build into legislation the necessity of being frugal, of saving money, of cutting expenses, of balancing the budget, getting rid of the deficit.

Canadians are demanding this. One way of achieving it is to require the ministers to actually maintain as a priority the efficient use of taxpayers' dollars in performing these services.

In the last several days we have received the report of the committee that was studying the Canada Communication Group. I am intrigued in reading that report to find that this independent review committee has suggested very strongly that Canada Communication Group, which as most people know does all the printing for the government, among other things, should be privatized. It should be sold to private interests so that when government has a contract to let, everybody out there is on an equal playing field. It is critical that we listen to that report. This motion aids that.

The fourth subgroup in Motion No. 1 is that the minister shall ensure that the reduction of all costs remains a high priority in the operations of the department.

In other words, this amendment would require that the minister pay some attention to the reduction of costs. We in the public works and government operations committee could then ask him to be accountable when he comes before the committee.

We could say to the minister: Mr. Minister, how did you express cost cutting efficiency as a high priority? From minister to minister we can insist that there be measures taken to be totally efficient.

In conclusion, the four points in the motion, if given careful thought, are very reasonable. I urge all members to support these amendments, not because I have asked them to, although obviously I agree or I would not have proposed the motion. I do not urge them to support them because the Reform Party supports them. If they did so, partisanship would enter and they would automatically oppose the motion. I urge those members to consider supporting this motion strictly and totally because it best represents the needs and the aspirations of Canadians who are footing the bill.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I would like for a few moments to add a few thoughts to the debate.

Much of what I would add has been said in the previous readings of the bill. However I would like to illustrate something that has been brought to my attention by a number of very interested parties and that is the desire of the federal government to begin to compete with private enterprise at the very time it is ostensibly getting out of business or privatizing.

The illustrations that I would use today will probably deal most directly with the post office but I would also like to bring in the example of Canada Mortgage and Housing and its appraisal process. I would also like to speak briefly about the impact of the bill and the ability that it gives the minister to compete in the private sector with the engineering fraternity.

• (1620)

Ostensibly the bill is a routine housekeeping bill that has the effect of consolidating the department. When we are considering the intrusion of the federal government into private enterprise or into areas that could be better served by private enterprise, we have to keep in mind that the government brings an enormous weight and an enormous amount of sway to the table whenever it decides it is going to get into a business.

Before I entered the political realm I was in the photo finishing business. I can remember being absolutely appalled when some years ago the post office was trying desperately to recoup some of its losses. The thought perhaps never occurred to the post office that one of the ways it could increase the use of its product was to provide a faster, better and more efficient service. It decided it was going to expand its product line. I believe it was Consumers Distributing products that were going to become available in post offices.

There I was, a small businessman, paying taxes to support the post office and finding myself in a position where I would be competing with the post office. Fortunately this did not come to pass.

Recently it was brought to my attention, and I am sure to the attention of other hon. members present, that the post office once again, as it was privatizing and becoming a crown corporation, was trying to increase its revenue rather than trying to decrease its expenses. It had announced a 2 cent price increase in the cost of a stamp. The post office had made, I think, a $26 million profit that year.

The post office was increasing the price of a stamp because it had to have more money. However, there were many sceptics who thought that perhaps the reason it was going to increase the first class postage rate was because it wanted to cross–subsidize and get into other businesses.

The post office started with a tremendous advantage as a crown corporation. It had a distribution network coast to coast. Imagine the situation, if you will, of someone being in the instant printing business, as has happened right here in Ottawa. They wake up one day, open their mail delivered to them through the post office, because of course the post office has a monopoly on the delivery of first class mail, and it is a survey from Canada

Post saying that it wants to be in a position to better serve its customers.

What is it going to do, folks? It is going to offer services such as typesetting, small run instant printing, the kinds of things that as one comes to the post office it would be kind of convenient to have right there. The trouble is the world does not need another instant printer. Instant printers are all over the place and they have, by and large, got themselves into business at their own expense.

Now they find themselves in a situation where they are competing directly with a crown corporation that has a monopoly on first class postage and can raise prices so it can compete with the private sector.

Another instance that has come to my attention concerning the post office has to do with it purchasing a courier company, I believe it was Purolator, and then going into competition with other people in the courier business. If the post office feels that it has the right, the purview and the privilege of going into competition with existing businesses, then should not existing businesses and other courier companies have the same right to go into competition with Canada Post? If Canada Post can compete with small business why then can business not compete with Canada Post?

It would be absolutely reasonable and fair that if Canada Post intends to continue down this path, it should find itself competing for the first class postage delivery.

• (1625)

If the post office finds itself in competition when delivering first class mail, what will happen? I bet the mail will be delivered faster. I bet it will be delivered on Saturday and I wager it will be delivered for less. Usually when there is competition the consumer benefits.

Now we have the reverse situation where a crown corporation with a monopoly on the delivery of first class mail is able to use the profit generated by the monopoly situation to cross–subsidize its ambit into other areas of business.

I submit to hon. members this is not right. It is not fair and it is counterproductive to the notion of free enterprise and privatization which is absolutely essential as our country moves down the path toward becoming self–sufficient and not becoming a sinkhole for taxpayers' money.

The third example I would like to raise is the question—this is part of the broader, more general intrusion of government into business—of Canada Mortgage and Housing Corporation and the practice of agents who work for Canada Mortgage and Housing to do appraisals on real estate in competition with the many competent people in private business who are licensed to provide that service.

Does this not have the potential for conflict of interest? An employee of Canada Mortgage and Housing is going out and doing an appraisal on a property that would be financed by Canada Mortgage and Housing. Is that not the same kind of one hand feeding the other dealsmanship that got us into a problem in some of the other financial institutions? Would it not be better if Canada Mortgage and Housing were required to have third party appraisals?

I suggest this kind of creeping intrusion of crown corporations into the sphere of private enterprise is not only counterproductive, but it is unhealthy for our economy because it does not bring in the discipline of the marketplace.

The last and final example I would like to bring to the attention of the House is that Bill C–52, at least according to the Canadian Association of Professional Engineers, would give the public service the mandate, the free rein, to set up in competition with professional engineers. As a matter of fact "the bill's loose wording gives complete power to bureaucrats. The sections read that the minister may incur expenditures or perform or have performed services or work in relation to any federal real property, or any other non–crown property with the consent of its owners".

As the government devolves from the sphere of private enterprise as we are wont and forced to do, in my opinion it would be a very good precedent for this Parliament to set to say that if private enterprise has the ability and the desire to compete in any sphere, then the government through a crown corporation or directly will not compete as a matter of principle.

I would ask that hon. members present give thought to these concerns and whenever the opportunity arises, to give private enterprise the advantage over public enterprise.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I am pleased to speak on Bill C–52 and to support the Reform Party's motion because it is an improvement on the bill tabled by the government.

Unfortunately, Bill C–52 lacks vision and backbone. This bill in no way improves the government's regulations. It is so bad that some clauses and provisions in this bill are regressive. It is going backwards—the Liberals and this government are going backwards.

• (1630)

This bill makes changes which are bad for private enterprise or do not improve openness or access to information. You know as well as I do that if there is a department where patronage, favoritism and unfairness are rampant, that is wasteful and contributes to the government's deficit, it is Public Works.

I admit, anyone who reviews Bill C–52 will know the impact it can have on the operation of the Department of Public Works and Government Services. Anyone can see how important it is to improve the operation of this department. It would have been easy for the minister to suggest changes to the acts governing these departments, Public Works and Government Services, for instance, to introduce as a code of ethics to regulate contracting out, which is increasing and almost out of control in the federal government.

The minister could also have given officials the power to disclose information, he could have empowered officials in his department and given them the chance to blow the whistle on mismanagement and government waste. Or the minister could have suggested amendments that would have given the public and members of this House better and easier access to information so that this department and this government avoid waste, thus reducing the deficit.

But no. This is a very lacklustre bill that contains nothing new and was introduced by a minister who seems near–sighted, and that is very worrisome. I wonder if this reflects the spirit of the government. The minister introduced a bill that does not improve in any way an old act containing provisions which hinder its efficiency. It is worrisome to have someone at the helm who is near–sighted.

As the Reform Party member mentioned earlier, the debate in committee on Bill C–52 was illogical, if not insane. We made very good suggestions to improve this legislation, but the Liberal members refused to listen, or else they were unable to grasp the underlying logic. Perhaps they have less brains than their own minister, who is already pretty blind. We got the distinct impression that they were only interested in having this legislation passed as quickly as possible, without any amendment.

They refused to let the committee hear witnesses on amendments to some clauses of the bill which have a very serious impact on the operations of the department, and which involve the right of the government to interfere in the private sector, particularly in the consulting–engineer sector.

• (1635)

This legislation is very poor; it contains nothing new and it reflects a total lack of imagination. This is why we will support the Reform Party motion, not because it is the best possible one. Paragraph (*c*) reads: "ensure that the Queen's Printer for Canada is operated efficiently and competently—", while paragraph (*d*) says: "ensure that the reduction of all costs remains a high priority—". These are pious wishes which carry no legal weight. Nevertheless, we are prepared to support this motion, although it has no real impact on the Department of Public Works.

However, paragraphs (*a*) and (*b*) are a definite improvement over the existing bill. In the case of (*b*), the Department of Public Works is encouraged to open the door to information, to reveal more information to the private sector or the general public on the way contracts are awarded, and to improve access to information, which is now extremely difficult to obtain. As I said before, it is an improvement. The department and the Liberal government must provide access to information, especially on the process of awarding contracts.

I think the Reform Party's motion is an improvement, but it is flawed because of the words: "where possible". There is no legal obligation on the government to disclose information if the motion is worded this way. My point is that the words "where possible" open the door to all kinds of abuse and arguments preventing access to information, preventing the government from disclosing information on contracts or even members of Parliament from having access to such information when contracts are awarded in their own riding. This is not satisfactory.

We run into the same problem in paragraph (*a*) of the motion, which deals with a matter that is even more serious, coming from the Department of Public Works. A Reform Party member already mentioned the problem about opening the door to competition between the federal government and the private sector. Paragraph (*a*) of motion No. 1 tries to prevent the government from competing with the private sector. But again, "where possible". These words open the door to all kinds of abuse. The fact is that basically, the Department of Public Works should not have the right to compete with the private sector.

We are talking about a substantial part of this bill. This is a new power the Minister of Public Works has acquired. It is very skilfully done, by the way, because clause 5 is already an introduction to this new power and clause 10 as well, and of course clause 16, which we will have a chance to discuss later on.

For the first time in the history of the Government of Canada, we have a proposal that the federal government should compete directly with private businesses, especially engineering firms which, incidentally, are well established in Quebec. Several members in this House, including Liberal members, I am sure, have received representations from SNC Lavalin, HBA, Tecsult, and more than 100 companies altogether that are concerned about the unfair competition in which the federal government is about to engage through Bill C–52. So although this Reform Party motion does not go far enough, we on the Bloc side still think it is a definite improvement over the bill as it stands.

• (1640)

In concluding, the Bloc will try to amend this good motion from the Reform Party. I therefore move, seconded by the hon. member for Charlevoix:

That Motion No. 1, in paragraphs (*a*) and (*b*), be amended by deleting the words ", where possible,"

The Acting Speaker (Mr. Kilger): The amendment is in order.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I wish to make a few comments on what has been said, and then I will highlight the key points with respect to this motion.

[*English*]

The first colleague who addressed this bill called it a routine bill, which it is. It is an important bill but a routine bill.

Members have complicated it. Either they have not understood it and therefore by virtue of that it has been complicated for them or they have understood it and by virtue of that they have tried to take advantage of it for political reasons.

We talk about not having been able to get witnesses. Of course we had witnesses but there comes a time when we have to stop meeting. Are we going to wait for the whole of Canada to come forward? We know that many of the witnesses had absolutely nothing to do, the witnesses they wanted, with clarifying the elements.

[*Translation*]

And the only reason was petty politics, an attempt to embarrass the government, pure and simple.

[*English*]

My colleague refers to backroom deals. What backroom deals? If he knows of a backroom deal put it on the table. He should not suggest that members of government have been dishonest. Either put up or be quiet. It is inappropriate behaviour for any member to be suggesting that someone else has been dishonest. Either he has proof or he does not. Do not slur the reputation of colleagues. That is not the way a parliamentarian is supposed to act.

He refers to the question of desire to compete. I have any number of quotes I can bring forward by reputable Canadian organizations, some of them from the province of Quebec, that indicate quite clearly that they do not see this as the government's intent to try to compete.

We are trying to get the best deal when we are dealing with other governments for Canadians. That is what we are trying to do. We are trying to respond to the private sector if it asks us to respond to assist it. I would be delighted to share some of those in the process of this particular debate.

The second speaker referred to Canada Post and CMHC, I guess the point being that government is becoming increasingly involved with the private sector. I hope it was not suggested that Canada Post and CMHC are somehow involved with this legislation. I want to make it perfectly clear they are not. I would dispute the claims being made with respect to government competing with the private sector in those instances as well.

I want to point out very quickly that one of the weaknesses of the particular motion, and it has been addressed in part, is where possible what would happen if this were to go through?

• (1645)

The opposition would always say it was possible and we did not do it. All of us thought we would be debating in the House of Commons the interpretation of where possible is. On that very basis it has to be set aside.

[*Translation*]

As I said earlier, I do not wish to accuse all the members of the Bloc of engaging in petty politics. But the one who just spoke made accusations of patronage, without any proof, of favouritism, without proof, and waste; also without proof. It is very easy to make such accusations in the House of Commons and not back them up. This is unfortunate, most unfortunate.

He said that the minister lacks vision. This is insulting! Because he does not understand the bill, he blames the minister. Because the bill has limited scope, he accuses the minister of lacking vision. This is too bad. He says that the Liberal members are deaf and blind. How insulting to those people who are so afflicted! That is what he said, Mr. Speaker. Now, I suppose he will deny it. In the House of Commons, he can say anything he wants, without proof. He likes to hear himself speak. How very unfortunate!

To top off everything he has done and said, he criticized the motion and then went on to say that he will support it. What a contradiction!

[*English*]

I simply wanted to mention that I have been very patient in this first round. Not all of the comments have been terribly relevant but in the second round I shall try to make awfully certain that I bring to members' collective attention any comments that are off topic.

I have a few more comments to make and I shall be brief. I know that my colleagues are anxious to get on to other palpitating clauses and motions as I am. With regard to the motion that was made, the amendments proposed by my colleague from Elk Island are already addressed in clause 7(1)(a) as amended by the committee.

I want to read that clause and make awfully sure that I do not mislead anyone. Clause 7 has already been amended at committee and the words "and for enhancing the integrity and efficiency and the contrasting process" were added to the clause.

With respect to competition, one of the issues, we have already addressed this at great length in committee and we will be talking about it some more. This is the debate. This is it. We are in disagreement.

[*Translation*]

We are not in agreement. That is fine, no problem. Do you want me to produce my 1,000 witnesses? You will produce a thousand more, and then we will decide who makes the most sense. Well, I think that sometimes you have to pause and start afresh.

[*English*]

On public disclosure, members know as well as I that the minister has offered to the members of this House the open bidding system, the government business opportunities publication. He has provided guidelines for advertising and public research by the government.

This minister and this government have been open and transparent. Those members have not been able to get the figures when they wanted them in terms of what they wanted even though those have not been available, and so they choose to attack the government and pretend that it was less than up front.

With regard to the Queen's Printer we want what the member wants but we want it for all of the government's operations, that is, being efficient and cost effective. The Queen's Printer has had a long and proud history providing government and advancing the printing industry. When there was a problem in that sector, the minister moved forward boldly and corrected the situation.

With respect to efficiency and savings they suggest 4,000 people, a billion dollars saved by the year 2005. I guess when you say that you really do not care very much about the 4,000 families that are going to be affected or you do not understand how much a billion dollars is—

The Acting Speaker (Mr. Kilger): I hesitate to interrupt any member at any time but occasionally the Chair tries to remind all of us to come through the Chair and not be direct to one another across the floor of the House. I ask the member to keep that in mind.

• (1650)

Mr. Duhamel: Mr. Speaker, I appreciate the reminder. My enthusiasm is a result of being upset at my colleague being so unfair and having exaggerated so much. In the spirit of Christmas I thought there would have been some gentleness.

[*Translation*]

I thought there would have been a little kindness, a little open–mindedness, but obviously they are not yet aware of the approaching festive season.

[*English*]

I think I have made the major points. The way it is worded, as I have indicated, the debate would be whenever it is possible. We simply cannot do this. We believe it has already been covered. We believe this government has been open and transparent and we believe we are going forward in the right direction.

I will limit my remarks at this time. I assure my colleagues that I am ready for a lot more.

The Acting Speaker (Mr. Kilger): Before proceeding on the debate of Motion No. 1, it is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Saint John—Rail Line Abandonment; the hon. member for Quebec—Social Program Reform; the hon. member for Manicouagan—Canada Labour Code; the hon. member for Vegreville—the Canadian Wheat Board; the hon. member for Regina—Lumsden—Banks.

Resuming debate on Motion No. 1, keep in mind that members who have already spoken must wait until we proceed to the next motion. Members have 10–minute interventions without questions or comments.

Mr. Epp: Mr. Speaker, on a point of order. I am sure you will correct me if I am wrong, but do I not have an opportunity now to speak since there has been an amendment to my motion?

The Acting Speaker (Mr. Kilger): I thank the member for Elk Island. He has learned very quickly. He is ahead of me. I do not mind telling the member that yes there has been an amendment and he can speak again.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I have some statements which are relevant to the amendment. I do not know if you noticed, but I think I was very close to being on topic speaking about the four points of my amendment one by one. I was very careful to do that.

I would like to say a few things partially in rebuttal to the hon. member from the Liberal Party who just spoke. He indicated how patient he has been. I suppose if we were to blow up our chests a little those of us on the other side would say that we too have tried to exercise patience in trying to work together and I shall continue to do that. It is not my objective here to merely fight for the sake of fighting. I want to do what is right and what is best for the Canadian people.

The member said that there was a time to a stop in these discussions. I think the record ought to show that we probably discussed Bill C–52 in committee for 10 hours maximum. That is my estimate. We heard one witness. That is my recollection of it. I stand to be corrected if that is wrong.

Second, the member made some statement about backroom deals. I did not accuse anybody about backroom deals. I said the perception out there among the people is that governments engage in backroom deals. Because the Liberal government has said it wants more openness and honesty and integrity, and Reformers are also saying this, surely we can agree that we will

do away with any reality of that which may have occurred in the past. Let me be really charitable in the spirit of Christmas and say it happened before the Liberals were elected, some of them, at least to the government side.

We need to do away with not only the reality of it but the perception of it. The only way to guarantee that the perception is removed is by actually putting into legislation that there is this openness.

With respect to the amendment to my motion that says "where possible", I do not know how to say this in such a way that it does not come out wrong. I am going to try very hard to do that. The only reason that we inserted these two words in sections (a) and (b) was the government side. Observing the way discussions went in our committee and recognizing that if we were to come with an amendment which would be very hard and which would say the minister must engage or make sure, refrain from engaging in activities and so on, we were quite certain that the Liberal side would have just said nix to it. We softened it deliberately for them, to give them an opportunity to vote for this so that the minister has greater flexibility. That is why the words are there, to say "where possible".

• (1655)

I know the hon. member from the Bloc is most sincere and actually made an amendment to my motion to remove those words which would have been my first choice. I know they do not have a chance of getting it passed. Instead of not going anywhere, I would like to at least move the government a little in the right direction, and that is why we said "where possible'. That is my comment with respect to the amendment that has been made.

In the spirit of Christmas, if I may quote the hon. member for St. Boniface, in the spirit of gentleness let us get together on this and let us vote in favour of the motion but let us leave those words in so that the Liberals can feel comfortable voting for it.

The Acting Speaker (Mr. Kilger): Resuming debate on the amendment to Motion No. 1.

[*Translation*]

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, I support the amendment to the amendment to Motion No. 1 moved by the hon. member for Québec–Est, to delete the words "where possible" and here is why.

First, Bill C–52 provides the government with the opportunity to amalgamate Public Works Canada, Supply and Services Canada and the Translation Service. It appears to us that, in the context of a bill, "where possible" is little more than idle talk, as the hon. member for Québec–Est indicated. Such words also leave room for interpretation and favouritism.

At the same time, we could expect —I hope it will not be the case under this government as it was under the previous one— that this will encourage the granting of contracts to friends of the regime and leave the door wide open for lobbyists. It is only natural for lobbyists who attend luncheons at $1,000 a plate organized by the federal government to be tempted to come and knock on the doors of Liberal members to get contracts. It has been done before the Liberals came to power and I would hope that, in a spirit of openness and transparency, the member will not object to seeing things change.

Quoting the red book, the Liberal government talked about transparency during the campaign. There have been several books and papers since, of course. We have gone from red book to green paper, from green to purple, from purple to orange, from orange to grey and we certainly hope that all these will not result in a black paper.

So, in a spirit of transparency and goodwill in administering public assets, you, the Liberal government, hold a majority of seats. If ridicule kills, that is why the Conservative government no longer exists. And if you continue to be wasteful with respect to contracting–out and privatization, your days are numbered, gentlemen.

The Acting Speaker (Mr. Kilger): Order! As I said a moment ago, you are encouraged not to address one another directly across the floor, but rather through the Chair. It may be more useful someday.

Mr. Asselin: Mr. Speaker, you scared me. I was sure you were about to say that one day I, the member for Charlevoix, might occupy the Speaker's chair.

• (1700)

In close co–operation, the member for Québec–Est, the member for Laurentides, when she was parliamentary critic for public works and governmental affairs, and myself have shown that the Bloc Quebecois was very serious when we were hearing testimony. We took the time to listen to the witnesses and asked appropriate questions.

In closing, I hope to be able to speak, if time permits, on clause 16 of this bill, which allows the government to compete with private engineering firms.

[*English*]

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on the amendment of the hon. member for Québec–Est. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76, a recorded division on the amendment stands deferred.

[*Translation*]

Motions Nos. 2 and 3 will be grouped for debate but voted on as follows: an affirmative vote on Motion No. 2 obviates the necessity of the question being put on Motion No. 3. On the other hand, a negative vote on Motion No. 2 necessitates the question being put on Motion No. 3.

[*English*]

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.) moved:

Motion No. 2

That Bill C–52, in Clause 16, be amended by replacing lines 39 to 45, on page 5, and line 1, on page 6, with the following:

"16. The Minister may do any thing for or on behalf of

(*a*) any department, board or agency of the Government of Canada or Crown corporation, or

(*b*) with the approval of the Governor in Council, any government, body or person in Canada or elsewhere that requests the Minister to do that thing, where the Minister is authorized to do that thing under this".

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ) moved:

Motion No. 3

That Bill C–52 be amended by deleting Clause 16.

[*English*]

Mrs. Chamberlain: Mr. Speaker, I am glad to have the opportunity to put forward an amendment to clause 16. With this amendment, the requirement for governor in council approval under clause 16(b) is being proposed. This will allay some of the concerns that the members in our particular task group on government operations had. I hope they are going to support this amendment.

Concerns have been expressed by some members of the private sector also. For example, the Association of Consulting Engineers of Canada, which represents 14 per cent of the consulting engineering community, has expressed reservations about 16(b) opening the door for public works and government services to compete with the private sector.

I want to be very clear on this point. The bill does not permit the department to compete with the private sector. It cannot even respond to requests for proposals. That is very clear in this.

• (1705)

The authorities contained in clause 16 are not new. They are contained in section 13 of the current Department of Supply and Services Act. This section enables the department to; first, work with the other levels of government to reduce overlap and duplication; second, to partner with the private sector when requested. The introduction of a requirement for an order in council, as I propose, guarantees a higher level of authority and accountability. It will ensure that the department only partners or engages in reduction of duplication with provinces with the direction from the cabinet. We cannot get a greater safeguard than that. This is pure accountability.

Currently PWGSC has over 120 active bilateral initiatives for areas of discussion with provinces and territories in services ranging from translation, bulk purchasing and co–operative procurement practices, real property management and shared accommodation. These are aimed at reducing overlap and duplication. Hence, savings for taxpayers. This is something that we promised to do. It is something we all promised to do. Every single party in the Chamber promised savings for taxpayers.

If other levels of government approach PWGSC with a view to co–operating in the provision of cost–effective services related to any of its 21 service lines, the department should be and must be in a position to consider such requests in the interest of the taxpayer. This is consistent with the government's election commitment to work closely with provincial governments to reduce duplication and improve service delivery in all areas where governments are involved.

Mr. Speaker, if you think you have heard that quote before, well you have. You will find it in the red book at page 23. We cannot forget that there is only one taxpayer in Canada. We have a responsibility to work co–operatively to ensure the most efficient and cost effective delivery of services possible for Canadian tax dollars.

This is what clause 16 guarantees to all of us as Canadian taxpayers. Clause 16 of Bill C–52 assists in fostering the spirit of co–operation and partnership between the government and the private sector. This is especially important for the small and medium sized businesses that are currently requesting partnerships with the government.

As we stated in the red book, the crucial role of the government is to work with the private sector to identify strategic opportunities for the future and then to redirect its existing

resources toward the fulfilment of these opportunities; again, a quote from the red book, page 44.

We are moving on our campaign goals and our promises. The government is committed to working with the private sector to identify strategic opportunities and to redirect our existing resources toward the fulfilment of all these opportunities when requested.

The opportunities clause 16 offers for partnerships with the PWGSC, businesses, particularly small and medium sized businesses, can lever the federal government, use its experience and expertise to create and expand new markets, particularly foreign markets and to create jobs. Private sector jobs, is this not what we are all about? Is this not why we are here today?

This Liberal government recognizes that when Canadian businesses prosper abroad Canadians prosper at home. The government has heard the concerns of the private sector, including the Association of Consulting Engineers of Canada. It rightly feels that it should not have to compete with government. At the same time it supports public–private partnership as long as it is industry led.

I quote the association's president who appeared before us in committee. He said he is "not against private–public partnerships where the private sector is in the lead role and not the other way around".

PWGSC has received many letters indicating support for industry led government partnership initiatives including letters from members of the Association of Consulting Engineers of Canada. I have many quotes from letters that we have received in support of Bill C–52.

• (1710)

The government recognizes that no legitimate purpose would be served by allowing the department to compete with the private sector. I would not support that. In fact, when there has been actual or perceived competition with the private sector, the Minister of Public Works and Government Services has moved swiftly to rectify the situation.

For example, he took action to address the concerns of the printing industry with the Canada Communication Group. With clause 16, Bill C–52 moves the government down a path of reducing the tax burden for Canadians while assisting business in partnership, on request. The proposed amendment put forward ensures greater accountability in this process. For these reasons I encourage all members of the House to support this amendment.

To do less is not doing what our taxpayers want us to do. They want us to reduce duplication. They want us to see where we can help firms in public practices when requested. When we can with tax dollars help them, they want us to do that. To do any less is irresponsible. I call on all members to support this amendment.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, once again, government members confuse and mislead the public with their arguments that do not hold water. For instance, they say that the president of the association of consulting engineers of Canada agrees with this motion. I can tell you that I was on the phone with him this morning, as I have been repeatedly these past few weeks, and he keeps telling me that he is against this motion and this clause in Bill C–52.

I want to tell the government that the association has demonstrated its opposition by issuing countless press releases stating that the government is not listening, that "The government is not listening, it is encroaching on our markets". The association, which is concentrated in Quebec, represents 800 consulting engineering firms whose 35,000 members question this bill.

The government member would have us believe that the government is creating jobs. This is pure nonsense. What this clause does is threaten high–quality jobs that have evolved over several years, perhaps mostly in Quebec, jobs that are not created overnight. What is at stake here is top expertise that our consulting engineering firms have demonstrated around the world. It is mainly this sector which is being targeted.

The government cannot mislead the population by saying, as my colleague did earlier, that it does not intend to compete with the private sector.

The minister himself said in a letter that "in response to your question, the primary purpose of Bill C–52 is"—imagine that—"to authorize Public Works and Government Services Canada to provide common services to the departments, boards and agencies of the Canadian government". Clause 16 increases this power by allowing the minister to provide common services, similar to those offered by federal Crown corporations, to other governments and to the private sector in Canada and abroad.

A few paragraphs further, the minister goes on to say: "Clause 16 is not intended to make the Department of Public Works and Government Services into a fierce competitor of the private sector". Certainly not a fierce competitor, but a competitor nonetheless under the monstrous guise of trying to compete and reduce this government's deficit through economies of scale.

• (1715)

Let me give you an example. What is proposed is that the government would provide all the supplies, as well as all other goods and services, not only to itself but maybe also to the provinces, the territories and the municipalities across the country. This is a concentration of purchases. If we had a warped mind like some government members, we might think that there are economies of scale or savings to be made. But we know very well that this is not the case. This would only create a monster like the former U.S.S.R. That country enjoyed a government

monopoly and had economies of scale in every sector. But look at what happened to the U.S.S.R.: it no longer exists.

The basic problem is that the government does not understand that the public and private sectors each have a specific role to play. When you mix the two together, particularly if the federal government starts to compete with the private sector, the whole system becomes skewed, because the federal government can hide all sorts of costs. It can change numbers to make it look as though a particular item or service costs less or money is saved here or there. In this way, the government can compete with certain companies and put them out of business, while favouring friends of the party. This is wonderful—

Mr. Asselin: This is what you call progressive federalism.

Mr. Marchand: Precisely. In Quebec, we want to avoid this at all costs, because clause 16 shows a blatant lack of understanding on the part of this government. It seems that the government does not even understand the strongest tendencies in the economy and in modern politics. The government should not go for concentration and centralization. Centralizing all federal, provincial, municipal and other purchases and sales in the country will not result in savings.

Such a move goes against the most elementary and basic rules of economy. This government proposes a bill, clause 16 in particular, which goes against basic economic rules. This is why the government and the people of Quebec are anxious to leave a regime which is headed the wrong way, as confirmed unequivocally by clause 16.

Despite all the representations made by the private sector and all the issues raised with members and the Minister of Public Works, there seems to have been no realization that perhaps this clause should have been deleted or even the previous legislation reinstated.

The consulting engineering sector suggested it preferred the previous act, because Bill C–52 which we are considering today gives the minister additional powers, powers that did not exist before. It is the only really new element in this bill. The rest is not new, just a bunch of provisions that have been revamped. However, this new element is almost an insult to the intelligence of people who understand the workings of our economy. It is a threat to an industrial sector that is thriving and highly specialized, and it opens the door to unfair competition and, once again, to even more patronage.

• (1720)

Clause 16 certainly does not encourage people who are the slightest bit familiar with the operation of the Department of Public Works to support this provision. In fact, Mr. Speaker, suggestions by the government that perhaps these overtures to the private sector should be made in consultation with the business community would actually make no difference at all.

This clause gives the government complete latitude to operate on the turf of the private sector, where it has no business to be, because, I repeat, this opens the door to patronage and is a threat to industries that, over the years, have developed an expertise that is appreciated and an expertise they want to maintain. The government has no business in this sector. And that is why we in the Bloc are opposed to this clause and to the government's amendment.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am a little frustrated in getting up here. This amendment comes from the Liberal side. I know the way things work around here with the majority over there and the less than majority over here that it will pass and what we say probably will not.

I will not miss this opportunity to go on record as powerfully and as strongly as I can to say that this is not the answer to the problems we have in this country, specifically on this one issue.

When I first saw this amendment I thought of a television show I watched for about 10 minutes one day. This lady was put into a box; the box was closed; the magician sawed her right in half. It was incredible. Her body was cut in two. Then he opened the box and she was fine again, there was no severance. That is what this particular amendment does. It gives the illusion of accomplishing something but really nothing is accomplished at all.

It is important for us in considering what we are talking about to really know what this motion says. Originally it said the minister may do anything for or on behalf of any department, board, or agency of the Government of Canada or a crown corporation or any government body or person in Canada or elsewhere.

It was mentioned earlier here that this was already in the previous act, the one this bill replaces. Not quite right. The two words "or elsewhere" were added. In other words the ability of the government to perform these functions now goes even outside of our country according to what it first proposed.

We now have this amendment. It still has exactly the same words except the one little word "a" has been taken out. Other than that the words are all there. The only difference is that for the minister to do anything for or on behalf of any government body or person in Canada or elsewhere, he or she must now obtain the approval of cabinet. In other words there is no restriction at all on whether or not government can still do anything for anybody.

The other day I was giving a little speech to a few people. I said the rough paraphrase of clause 16 of Bill C–52 was simply that the minister may do anything for anyone and the taxpayers pick up the bill. It was then said to me that that was not quite fair and that I was overstating it. Yet, it is very difficult to read anything else into this when it says that the minister may do anything for or on behalf of, and then everything listed includes anybody because finally it gets down to that every entity is

either a government, a government agency, a body, or a person. There is no exclusion.

● (1725)

I would also like to make reference to a quotation. It is from a letter written by no other than the minister himself. These are his words: "I have already decided that Public Works and Government Services Canada will not be competing with the private sector by offering services outside the federal government". That quotation is from a letter signed by the Minister of Public Works and Government Services.

I am at a loss to understand if that is his intention why he would hesitate for a second to state that in the legislation. The legislation says one thing and the minister says exactly the opposite. He is trying to assure us and the critics of this bill that we ought not to worry because it is not his intention to do this. Yet the bill clearly says that the government may do it. I do not see where the logic lies there; it misses me completely and I think it would miss anybody who stopped to think about it.

We have had a number of very strong presentations on the intrusion of government into private enterprise. I have a whole stack of them here. I know I cannot refer to them so I will not, Mr. Speaker, but they are here. Most of them are from small business firms and notably among them are consulting engineers. I will not quote it but I remember one of them said that this legislation cuts right to the very core of small engineering firms whose lifeblood is bidding on and providing services for provinces and municipalities.

This legislation now says that the taxpayer is going to be subsidizing the competition because government agencies are also going to be bidding. That introduces such a large unfairness into the free enterprise process.

I would also like to read a statement from a very well–known organization which does things along the lines of analysing our economic problems and difficulties and solutions to those problems. This is that organization's assessment of this bill, not mine: "It is clear that if the implication of the bill is that the federal government intends in any way to engage in the undertaking of work for private purposes in competition with contractors in the private sector, this would be entirely wrong and the bill ought to specifically preclude the federal government from doing this".

There are other references. As I said I have many of them here from individuals, groups and businesses. They all give the message that the government should not be in the business of competing with private enterprise, period. Why it is in this legislation at all is a total mystery to me.

Now there is an amendment that clause 16 ought to be amended by dividing the two parts. One part says to let the minister go ahead, but in the other part he has to get a nod from the other cabinet ministers, behind closed doors, no openness, no accountability and no restriction on what he can do for anyone anywhere on planet earth.

I object. On behalf of all of those people who wrote to me and my colleagues, I object. I object on behalf of all of those small businesses, those engineering firms, the printers, the small newspapers who wrote. They said they do not like having government taxation subsidy driving them out of business. For all of them I say as strongly as I can, please, members of this House, reconsider this. Do not pass this legislation and then regret it later because I know you will.

The Acting Speaker (Mr. Kilger): There is one minute, if the parliamentary secretary wishes, or I could see the clock as 5.30 p.m.

Mr. Duhamel: Mr. Speaker, I am not losing my place in the order of speaking.

The Acting Speaker (Mr. Kilger): The member will have an opportunity to speak when the matter comes back to the House.

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

The House resumed from December 8 consideration of the motion that Bill C–226, an act to amend the Criminal Code, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): Pursuant to order made Thursday, December 8, 1994, the House will now proceed to the taking of the deferred division on the motion of Mr. Nunziata at second reading stage of Bill C–226, an act to amend the Criminal Code.

Call in the members.

● (1750)

And the bells having rung:

Mr. Boudria: Mr. Speaker, I rise on a point of order. I think you would find unanimous consent that the House proceed first with the vote on Bill C–51, then proceed with the other votes on government business, and Bill C–226 and Motion No. 257 would be the last items to be voted on this afternoon.

The Acting Speaker (Mr. Kilger): The House has heard the suggestion of the chief government whip that I call the vote on

Bill C–51 and at the very end we come back to Bill C–226 and Motion No. 257. I would start with Bill C–51, the Canada Grain Act. Is there agreement?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

CANADA GRAIN ACT

The House resumed from December 9 consideration of the motion that Bill C–51, an act to amend the Canada Grain Act and respecting certain regulations made pursuant to that act, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to the order made on December 9, 1994, the House will now proceed to the taking of the deferred division on the motion for third reading of Bill C–51.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 139*)

YEAS

Members

Adams
Anawak
Arseneault
Asselin
Baker
Barnes
Bellehumeur
Berger
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Blondin–Andrew
Bonin
Brien
Brushett
Bélair
Caccia
Campbell
Canuel
Catterall
Chan
Chrétien (Saint–Maurice)
Comuzzi
Cowling
Culbert
Daviault
de Savoye
DeVillers
Discepola
Duceppe
Dumas
Easter
English
Fillion
Finlay
Fontana
Gaffney
Gagnon (Québec)
Gauthier (Roberval)
Godfrey
Graham
Grose
Guay
Harb
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Lee
Leroux (Shefford)
Loney
MacAulay
MacLaren (Etobicoke North)
Maloney
Marchand
Marleau
Massé
McKinnon
McTeague
Mercier
Milliken
Mitchell
Nault
Nunziata
O'Reilly
Pagtakhan
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Reed
Richardson
Rocheleau
Sauvageau
Shepherd
Simmons
St–Laurent
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Torsney
Ur
Vanclief
Verran
Walker
Wayne
Whelan
Young
Allmand
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bergeron
Bernier (Gaspé)
Bertrand
Bhaduria
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Bélisle
Calder
Cannis
Caron
Chamberlain
Chrétien (Frontenac)
Collins
Copps
Crawford
Dalphond–Guiral
Debien
Deshaies
Dhaliwal
Dromisky
Duhamel
Dupuy
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Gerrard
Godin
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Irwin
Jacob
Kirkby
Kraft Sloan
Langlois
Laurin
Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Lincoln
Loubier
MacDonald
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Murray
Nunez
O'Brien
Ouellet
Parrish
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Regan
Rideout
Rock
Serré
Sheridan
Speller
St. Denis
Stewart (Brant)
Szabo
Terrana
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Volpe
Wappel
Wells
Wood
Zed—194

NAYS

Members

Abbott
Althouse
Benoit
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Cummins
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanger
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jennings
Mayfield
McLaughlin
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Speaker
Ablonczy
Axworthy (Saskatoon—Clark's Crossing)
Blaikie
Bridgman
Chatters
de Jong
Epp
Frazer
Gouk
Grubel
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Manning
McClelland (Edmonton Southwest)
Meredith
Morrison
Ramsay
Schmidt
Silye
Solomon
Stinson

Strahl
Thompson
Williams—53

Taylor
White (Fraser Valley West)

PAIRED—MEMBERS

Members

Bachand
Bouchard
Collenette
Dubé
LeBlanc (Cape/Cap Breton Highlands—Canso)
Ménard

Bevilacqua
Cauchon
Crête
Lalonde
Minna
Robichaud

• (1800)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

The House resumed from December 12 consideration of the motion that Bill C–56, an act to amend the Canadian Environmental Assessment Act, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred recorded division on the motion for third reading of Bill C–56.

[*English*]

Mr. Boudria: Mr. Speaker, on a point of order. I think you would find unanimous consent that the members who have voted on the previous vote be recorded as having voted on the vote now before the House in the following manner, Liberal MPs voting yes, along with the member for Beauce.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the Bloc Quebecois members are opposed to this motion.

[*English*]

Mr. Silye: The Reform Party members today vote nay, except for those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, the New Democratic Party members in the House today vote yes on this motion.

Mrs. Wayne: Mr. Speaker, as party whip for the PC Party, the members of the PC Party tonight will vote in favour.

Mr. Bhaduria: Mr. Speaker, I will be voting with the government.

[*Translation*]

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 140)

YEAS

Members

Adams
Althouse
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bertrand
Bhaduria
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Collins
Copps
Crawford
de Jong
Dhaliwal
Dromisky
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gaffney
Gallaway
Godfrey
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Irwin
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marleau
Massé
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mitchell
Nault
O'Brien
Ouellet
Parrish
Payne
Peters
Phinney
Pillitteri
Regan
Rideout
Serré
Sheridan
Solomon
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Torsney
Valeri
Verran
Walker
Wayne
Whelan
Young

Allmand
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Bernier (Beauce)
Bethel
Blaikie
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Chrétien (Saint-Maurice)
Comuzzi
Cowling
Culbert
DeVillers
Discepola
Duhamel
Easter
English
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Graham
Grose
Harb
Hickey
Hubbard
Iftody
Jackson
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire
McLaughlin
McTeague
Mifflin
Mills (Broadview—Greenwood)
Murray
Nunziata
O'Reilly
Pagtakhan
Patry
Peric
Peterson
Pickard (Essex—Kent)
Reed
Richardson
Rock
Shepherd
Simmons
Speller
Steckle
Stewart (Northumberland)
Taylor
Terrana
Tobin
Ur
Vanclief
Volpe
Wappel
Wells
Wood
Zed—156

NAYS

Members

Abbott
Asselin
Benoit
Bernier (Gaspé)
Breitkreuz (Yellowhead)
Brien
Bélisle
Caron
Chrétien (Frontenac)
Dalphond-Guiral
Debien
Deshaies
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Jennings
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Mayfield
Mercier
Mills (Red Deer)
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Silye
Speaker
Stinson
Thompson
Venne
Williams—91

Ablonczy
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bridgman
Brown (Calgary Southeast)
Canuel
Chatters
Cummins
Daviault
de Savoye
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Marchand
McClelland (Edmonton Southwest)
Meredith
Morrison
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Scott (Skeena)
Solberg
St-Laurent
Strahl
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)

PAIRED—MEMBERS

Members

Bachand
Bouchard
Collenette
Dubé
LeBlanc (Cape/Cap Breton Highlands—Canso)
Ménard

Bevilacqua
Cauchon
Crête
Lalonde
Minna
Robichaud

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

IMMIGRATION ACT

The House resumed from December 12 consideration of Bill C-44, an act to amend the Immigration Act and the Citizenship Act and to make a consequential amendment to the Customs Act, as reported (with amendments) from the Standing Committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the deferred recorded division on the motion at report stage of Bill C-44.

The first question is on Motion No. 1.

Mr. Boudria: Mr. Speaker, I think you will find unanimous consent to apply the results of the last vote to this one, as follows: the Liberal members vote no.

• (1805)

Mr. Duceppe: Mr. Speaker, the members of the Bloc Quebecois support this motion.

Mr. Silye: Mr. Speaker, the Reform Party members vote nay, except for those who wish to vote otherwise.

Mr. Solomon: Mr. Speaker, the New Democratic Party members who are here vote in favour of the motion.

Mrs. Wayne: Mr. Speaker, I wish to point out to you that the name of the riding is Saint John and not St. John's as you said a little earlier. The members of the Conservative Party will vote against the motion.

Mr. Bernier (Beauce): I vote yes, Mr. Speaker.

Mr. Bhaduria: Mr. Speaker, I will be voting with the government.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 141)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bergeron
Bernier (Gaspé)
Blaikie
Bélisle
Caron
Dalphond-Guiral
Debien
de Savoye
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Mercier
Paré
Plamondon
Rocheleau
Solomon
Taylor
Venne—53

Asselin
Bellehumeur
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Chrétien (Frontenac)
Daviault
de Jong
Deshaies
Dumas
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
McLaughlin
Nunez
Picard (Drummond)
Pomerleau
Sauvageau
St-Laurent
Tremblay (Rimouski—Témiscouata)

NAYS

Members

Abbott	Ablonczy
Adams	Allmand
Anawak	Anderson
Arseneault	Assad
Axworthy (Winnipeg South Centre)	Baker
Bakopanos	Barnes
Beaumier	Bellemare
Benoit	Berger
Bertrand	Bethel
Bhaduria	Blondin–Andrew
Bodnar	Bonin
Boudria	Breitkreuz (Yellowhead)
Bridgman	Brown (Calgary Southeast)
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Caccia	Calder
Campbell	Cannis
Catterall	Chamberlain
Chan	Chatters
Chrétien (Saint–Maurice)	Collins
Comuzzi	Copps
Cowling	Crawford
Culbert	Cummins
DeVillers	Dhaliwal
Discepola	Dromisky
Duhamel	Duncan
Dupuy	Easter
Eggleton	English
Epp	Fewchuk
Finestone	Finlay
Flis	Fontana
Forseth	Frazer
Fry	Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gallaway
Gerrard	Gilmour
Godfrey	Gouk
Graham	Gray (Windsor West)
Grey (Beaver River)	Grose
Grubel	Guarnieri
Hanger	Harb
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Harvard	Hayes
Hermanson	Hickey
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Jennings
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	Lavigne (Verdun—Saint–Paul)
Lee	Lincoln
Loney	MacAulay
MacDonald	MacLaren (Etobicoke North)
Malhi	Maloney
Manley	Manning
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
Mayfield	McClelland (Edmonton Southwest)
McGuire	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Meredith
Mifflin	Milliken
Mills (Broadview—Greenwood)	Mills (Red Deer)
Mitchell	Morrison
Murray	Nault
Nunziata	O'Brien
O'Reilly	Ouellet
Pagtakhan	Parrish
Patry	Payne
Penson	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Ramsay
Reed	Regan
Richardson	Rideout
Ringma	Rock
Schmidt	Scott (Skeena)
Serré	Shepherd
Sheridan	Silye
Simmons	Solberg
Speaker	Speller
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Stinson	Strahl
Szabo	Telegdi
Terrana	Thalheimer
Thompson	Tobin
Torsney	Ur
Valeri	Vanclief
Verran	Volpe
Walker	Wappel
Wayne	Wells
Whelan	White (Fraser Valley West)
Williams	Wood
Young	Zed—194

PAIRED—MEMBERS

Members

Bachand	Bevilacqua
Bouchard	Cauchon
Collenette	Créte
Dubé	Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)	Minna
Ménard	Robichaud

The Acting Speaker (Mr. Kilger): I declare Motions No. 1 lost. Consequently, Motions Nos. 3, 4, 5, 6, 8, 9, 10, 11, 12, 18, 19 and 23 are also lost.

The next question is on Motion No. 13, standing in the name of the hon. member for Bourassa.

Mr. Boudria: Mr. Speaker, I think you will find unanimous consent to apply the results of the vote on the previous motion to this motion.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

(The House divided on the motion, which was negatived on the following division:)

[*Editor's Note: See list under Division No. 141.*]

The Acting Speaker (Mr. Kilger): I declare the motion lost.

Mr. Boudria: Mr. Speaker, I think you will find unanimous consent to apply the results of the vote in the same way to Motions Nos. 14, 15, 16 and 17.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Allmand: Mr. Speaker, I do not want to vote against Motion No. 14.

The Acting Speaker: The next question is on Motion No. 14.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 142)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bergeron
Bernier (Gaspé)
Blaikie
Bélisle
Caron
Dalphond-Guiral
Debien
de Savoye
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Mercier
Paré
Plamondon
Rocheleau
Solomon
Taylor
Venne—53

Asselin
Bellehumeur
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Chrétien (Frontenac)
Daviault
de Jong
Deshaies
Dumas
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
McLaughlin
Nunez
Picard (Drummond)
Pomerleau
Sauvageau
St-Laurent
Tremblay (Rimouski—Témiscouata)

NAYS

Members

Abbott
Adams
Anderson
Assad
Baker
Barnes
Bellemare
Berger
Bethel
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Chamberlain
Chatters
Collins
Copps
Crawford
Cummins
Dhaliwal
Dromisky
Duncan
Easter
English
Fewchuk
Finlay
Fontana
Frazer
Gaffney
Gallaway
Gilmour
Gouk
Gray (Windsor West)
Grose
Guarnieri
Harb
Harper (Simcoe Centre)

Ablonczy
Anawak
Arseneault
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bertrand
Bhaduria
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Chrétien (Saint-Maurice)
Comuzzi
Cowling
Culbert
DeVillers
Discepola
Duhamel
Dupuy
Eggleton
Epp
Finestone
Flis
Forseth
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Godfrey
Graham
Grey (Beaver River)
Grubel
Hanger
Harper (Calgary West)
Harris

Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Manning
Marleau
Massé
McClelland (Edmonton Southwest)
McKinnon
McTeague
Meredith
Milliken
Mills (Red Deer)
Morrison
Nault
O'Brien
Ouellet
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Ramsay
Regan
Rideout
Rock
Scott (Skeena)
Shepherd
Silye
Solberg
Speller
Steckle
Stewart (Northumberland)
Strahl
Telegdi
Thalheimer
Tobin
Ur
Vanclief
Volpe
Wappel
Wells
White (Fraser Valley West)
Wood
Zed—193

Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
Mayfield
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Patry
Penson
Peters
Phinney
Pillitteri
Reed
Richardson
Ringma
Schmidt
Serré
Sheridan
Simmons
Speaker
St. Denis
Stewart (Brant)
Stinson
Szabo
Terrana
Thompson
Torsney
Valeri
Verran
Walker
Wayne
Whelan
Williams
Young

PAIRED—MEMBERS

Members

Bachand
Bouchard
Collenette
Dubé
LeBlanc (Cape/Cap Breton Highlands—Canso)
Ménard

Bevilacqua
Cauchon
Crête
Lalonde
Minna
Robichaud

The Acting Speaker (Mr. Kilger): I declare the motion lost.

The next question is on Motion No. 15.

(The House divided on the motion, which was negatived on the following division:)

[*Editor's Note: See list under Division No. 141.*]

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 16.

(The House divided on the motion, which was negatived on the following division:)

[*Editor's Note: See list under Division No. 141.*]

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 17.

(The House divided on the motion, which was negatived on the following division:)

[*Editor's Note: See list under Division No. 141.*]

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 20.

• (1810)

Mr. Boudria: Mr. Speaker, I think you would find there is unanimous consent to having all members who voted on the previous motion recorded as having voted on the motion now before the House as follows: Liberals against the motion.

Mr. Duceppe: Mr. Speaker, members of the Bloc Quebecois support this motion.

Mr. Silye: Mr. Speaker, members of the Reform Party vote against it, unless some members choose to vote differently.

Mr. Solomon: Mr. Speaker, members of the New Democratic Party now in the House vote nay.

Mr. Bernier (Beauce): Mr. Speaker, I vote against it.

Mrs. Wayne: The hon. member for Saint John votes against the motion, Mr. Speaker.

Mr. Bhaduria: I vote nay, Mr. Speaker.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 143*)

YEAS

Members

Asselin
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bélisle
Caron
Dalphond-Guiral
Debien
Deshaies
Dumas
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Mercier
Paré
Plamondon
Rocheleau
St-Laurent
Venne—45

Bellehumeur
Bernier (Gaspé)
Brien
Canuel
Chrétien (Frontenac)
Daviault
de Savoye
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Nunez
Picard (Drummond)
Pomerleau
Sauvageau
Tremblay (Rimouski—Témiscouata)

NAYS

Members

Abbott
Adams
Althouse
Anderson
Assad
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bernier (Beauce)
Bethel
Blaikie
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Campbell
Catterall
Chan
Chrétien (Saint-Maurice)
Comuzzi
Cowling
Culbert
de Jong
Dhaliwal
Dromisky
Duncan
Easter
English
Fewchuk
Finlay
Fontana
Frazer
Gaffney
Gallaway
Gilmour
Gouk
Gray (Windsor West)
Grose
Guarnieri
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Manning
Marleau
Massé
McClelland (Edmonton Southwest)
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Patry
Penson
Peters
Phinney
Pillitteri
Reed

Ablonczy
Allmand
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Berger
Bertrand
Bhaduria
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Chamberlain
Chatters
Collins
Copps
Crawford
Cummins
DeVillers
Discepola
Duhamel
Dupuy
Eggleton
Epp
Finestone
Flis
Forseth
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Godfrey
Graham
Grey (Beaver River)
Grubel
Hanger
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
Mayfield
McGuire
McLaughlin
McTeague
Meredith
Milliken
Mills (Red Deer)
Morrison
Nault
O'Brien
Ouellet
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Ramsay
Regan

Richardson	Rideout
Ringma	Rock
Schmidt	Scott (Skeena)
Serré	Shepherd
Sheridan	Silye
Simmons	Solberg
Solomon	Speaker
Speller	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Stinson
Strahl	Szabo
Taylor	Telegdi
Terrana	Thalheimer
Thompson	Tobin
Torsney	Ur
Valeri	Vanclief
Verran	Volpe
Walker	Wappel
Wayne	Wells
Whelan	White (Fraser Valley West)
Williams	Wood
Young	Zed—202

PAIRED—MEMBERS

Members

Bachand	Bevilacqua
Bouchard	Cauchon
Collenette	Crête
Dubé	Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)	Minna
Ménard	Robichaud

The Acting Speaker (Mr. Kilger): I declare the motion lost.

The next question is on Motion No. 21, standing in the name of the member for Bourassa.

Mr. Boudria: Mr. Speaker, I think you will find unanimous consent to apply the vote taken on Motion No. 1 at report stage of Bill C–44 to the motion which is now being voted on, and also to Motion No. 22.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

(The House divided on the motion, which was negatived on the following division:)

[*Editor's Note: See list under Division No. 141.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 21 lost.

The next question is on Motion No. 22.

[*Editor's Note: See list under Division No. 141.*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.) moved that Bill C–44, as amended, be concurred in.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to have the members who voted on the previous motion recorded as having voted on the motion now before the House as follows: Liberal MPs voting yes.

Mr. Duceppe: Mr. Speaker, members of the Bloc Quebecois vote against the motion.

Mr. Silye: Mr. Speaker, members of the Reform Party vote against the motion, unless some members want to vote differently.

Mr. Solomon: Members of the NDP present in the House vote against the motion, Mr. Speaker.

Mr. Bernier (Beauce): Mr. Speaker, I vote for the motion.

Mrs. Wayne: Mr. Speaker, I vote for the motion.

Mr. Bhaduria: Mr. Speaker, I vote for the motion.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 144*)

YEAS

Members

Adams	Allmand
Anawak	Anderson
Arseneault	Assad
Axworthy (Winnipeg South Centre)	Baker
Bakopanos	Barnes
Beaumier	Bellemare
Berger	Bernier (Beauce)
Bertrand	Bethel
Bhaduria	Blondin–Andrew
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Caccia
Calder	Campbell
Cannis	Catterall
Chamberlain	Chan
Chrétien (Saint–Maurice)	Collins
Comuzzi	Copps
Cowling	Crawford
Culbert	DeVillers
Dhaliwal	Discepola
Dromisky	Duhamel
Dupuy	Easter
Eggleton	English
Fewchuk	Finestone
Finlay	Flis
Fontana	Fry
Gaffney	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway	Gerrard
Godfrey	Graham
Gray (Windsor West)	Grose
Guarnieri	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	Lavigne (Verdun—Saint–Paul)
Lee	Lincoln
Loney	MacAulay
MacDonald	MacLaren (Etobicoke North)
Malhi	Maloney
Manley	Marchi
Marleau	Martin (LaSalle—Émard)
Massé	McGuire
McKinnon	McLellan (Edmonton Northwest)

McTeague
Mifflin
Mills (Broadview—Greenwood)
Murray
Nunziata
O'Reilly
Pagtakhan
Patry
Peric
Peterson
Pickard (Essex—Kent)
Reed
Richardson
Rock
Shepherd
Simmons
St. Denis
Stewart (Brant)
Szabo
Terrana
Tobin
Ur
Vanclief
Volpe
Wappel
Wells
Wood
Zed—149

McWhinney
Milliken
Mitchell
Nault
O'Brien
Ouellet
Parrish
Payne
Peters
Phinney
Pillitteri
Regan
Rideout
Serré
Sheridan
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Torsney
Valeri
Verran
Walker
Wayne
Whelan
Young

NAYS

Members

Abbott
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benoit
Bernier (Gaspé)
Blaikie
Bridgman
Brown (Calgary Southeast)
Canuel
Chatters
Cummins
Daviault
de Jong
Deshaies
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Jennings
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Mayfield
McLaughlin
Meredith
Morrison
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Scott (Skeena)
Solberg
Speaker
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)

Ablonczy
Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Brien
Bélisle
Caron
Chrétien (Frontenac)
Dalphond-Guiral
Debien
de Savoye
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Mills (Red Deer)
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Silye
Solomon
St-Laurent
Strahl
Thompson
Venne
Williams—98

PAIRED—MEMBERS

Members

Bachand
Bouchard
Collenette
Dubé
LeBlanc (Cape/Cap Breton Highlands—Canso)
Ménard

Bevilacqua
Cauchon
Crête
Lalonde
Minna
Robichaud

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Motion agreed to.)

* * *

EMPLOYMENT EQUITY ACT

The House resumed consideration of the motion.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division on the motion for second reading of Bill C–64, an act respecting employment equity.

● (1815)

Mr. Boudria: Mr. Speaker, I think you will find unanimous consent to having members who voted on the previous motion recorded as having voted on the motion now before the House as follows: Liberals will be voting yea, except the hon. member for Saint–Maurice and the hon. member for Papineau—Saint–Michel, who, unfortunately, had to leave.

Mr. Duceppe: Mr. Speaker, the Bloc Quebecois will be voting nay on this motion.

Mr. Silye: Mr. Speaker, the Reform Party will vote nay, unless some wish to vote otherwise.

Mr. Solomon: Mr. Speaker, the NDP members who are in the House will vote yea.

Mr. Bernier (Beauce): I vote yea, Mr. Speaker.

Mrs. Wayne: This Progressive Conservative member votes yea, Mr. Speaker.

Mr. Bhaduria: I vote yea, Mr. Speaker.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 145)

YEAS

Members

Adams
Althouse
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing
Baker
Barnes
Bellehumeur
Berger
Bernier (Beauce)
Bernier (Mégantic—Compton—Stanstead)
Bethel
Blaikie
Bodnar
Boudria

Allmand
Anawak
Arseneault
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bergeron
Bernier (Gaspé)
Bertrand
Bhaduria
Blondin–Andrew
Bonin
Brien

Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélisle	Caccia
Calder	Campbell
Cannis	Canuel
Caron	Catterall
Chamberlain	Chan
Chrétien (Frontenac)	Collins
Comuzzi	Copps
Cowling	Crawford
Culbert	Dalphond-Guiral
Daviault	Debien
de Jong	de Savoye
Deshaies	DeVillers
Dhaliwal	Discepola
Dromisky	Duceppe
Duhamel	Dumas
Dupuy	Easter
Eggleton	English
Fewchuk	Fillion
Finestone	Finlay
Flis	Fontana
Fry	Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gagnon (Québec)
Gallaway	Gauthier (Roberval)
Gerrard	Godfrey
Godin	Graham
Gray (Windsor West)	Grose
Guarnieri	Guay
Guimond	Harb
Harvard	Hickey
Hopkins	Hubbard
Ianno	Iftody
Irwin	Jackson
Jacob	Keyes
Kirkby	Knutson
Kraft Sloan	Landry
Langlois	Lastewka
Laurin	Lavigne (Beauharnois—Salaberry)
Lavigne (Verdun—Saint-Paul)	Lebel
Leblanc (Longueuil)	Lee
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Lincoln	Loney
Loubier	MacAulay
MacDonald	MacLaren (Etobicoke North)
Malhi	Maloney
Manley	Marchand
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McGuire	McKinnon
McLaughlin	McLellan (Edmonton Northwest)
McTeague	McWhinney
Mercier	Mifflin
Milliken	Mills (Broadview—Greenwood)
Mitchell	Murray
Nault	Nunez
Nunziata	O'Brien
O'Reilly	Pagtakhan
Parrish	Paré
Patry	Payne
Peric	Peters
Peterson	Phinney
Picard (Drummond)	Pickard (Essex—Kent)
Pillitteri	Plamondon
Pomerleau	Reed
Regan	Richardson
Rideout	Rocheleau
Rock	Sauvageau
Serré	Shepherd
Sheridan	Simmons
Solomon	Speller
St-Laurent	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Szabo
Taylor	Telegdi
Terrana	Thalheimer
Tobin	Torsney
Tremblay (Rimouski—Témiscouata)	Ur
Valeri	Vanclief
Venne	Verran
Volpe	Walker
Wappel	Wayne
Wells	Whelan
Wood	Young
Zed—199	

NAYS

Members

Abbott	Ablonczy
Benoit	Breitkreuz (Yellowhead)
Bridgman	Brown (Calgary Southeast)
Chatters	Cummins
Duncan	Epp
Forseth	Frazer
Gilmour	Gouk
Grey (Beaver River)	Grubel
Hanger	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hart	Hayes
Hermanson	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Jennings	Manning
Mayfield	McClelland (Edmonton Southwest)
Meredith	Mills (Red Deer)
Morrison	Penson
Ramsay	Ringma
Schmidt	Scott (Skeena)
Silye	Solberg
Speaker	Stinson
Strahl	Thompson
White (Fraser Valley West)	Williams—46

PAIRED—MEMBERS

Members

Bachand	Bevilacqua
Bouchard	Cauchon
Collenette	Crête
Dubé	Lalonde
LeBlanc (Cape/Cap Breton Highlands—Canso)	Minna
Ménard	Robichaud

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Motion agreed to.)

PRIVATE MEMBERS' BUSINESS

[*Translation*]

CRIMINAL CODE

The House resumed consideration of the motion that Bill C-226, an act to amend the Criminal Code, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): The House will now proceed to the taking of the recorded division on the motion that Bill C-226 be read a second time.

As is the custom, the vote will be taken row by row, beginning with the mover, and moving on to those in favour of the motion who are on the same side of the House as the mover.

Those in favour of the motion and seated on the other side of the House will be called on next. Those who oppose the motion will then be asked to vote in the same order.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 146)

YEAS

Members

Abbott
Adams
Anawak
Asselin
Baker
Beaumier
Bernier (Beauce)
Bethel
Blaikie
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Bélair
Cannis
Chatters
Comuzzi
Crawford
Cummins
Duncan
English
Finlay
Forseth
Gaffney
Gilmour
Grey (Beaver River)
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jennings
Lastewka
Lee
MacDonald
Maloney
Mayfield
McGuire
McLaughlin
McWhinney
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunziata
O'Reilly
Payne
Peric
Pickard (Essex—Kent)
Ramsay
Regan
Rideout
Schmidt
Serré
Simmons
Solomon
Speller
Steckle
Strahl
Terrana
Torsney
Valeri
Verran
Wappel
Wells
Williams
Young

Ablonczy
Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bakopanos
Benoit
Bertrand
Bhaduria
Bodnar
Boudria
Bridgman
Bryden
Calder
Chamberlain
Collins
Cowling
Culbert
de Jong
Easter
Epp
Fontana
Frazer
Gallaway
Gouk
Grubel
Harb
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Hopkins
Ianno
Jackson
Keyes
Lavigne (Verdun—Saint-Paul)
Loney
Malhi
Manning
McClelland (Edmonton Southwest)
McKinnon
McTeague
Meredith
Mills (Red Deer)
Morrison
Nault
O'Brien
Parrish
Penson
Phinney
Pillitteri
Reed
Richardson
Ringma
Scott (Skeena)
Silye
Solberg
Speaker
St. Denis
Stinson
Taylor
Thompson
Ur
Vanclief
Volpe
Wayne
White (Fraser Valley West)
Wood
Zed—136

NAYS

Members

Allmand
Assad
Barnes
Bellemare
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Brushett
Caccia
Canuel
Catterall
Chrétien (Frontenac)
Dalphond-Guiral
Debien
Deshaies
Dhaliwal
Dromisky
Duhamel
Dupuy
Fewchuk
Finestone
Fry
Gagnon (Québec)
Gerrard
Godin
Grose
Guimond
Hickey
Jacob
Knutson
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Lincoln
MacAulay
Manley
Marchi
Martin (LaSalle—Émard)
McLellan (Edmonton Northwest)
Milliken
Nunez
Patry
Peterson
Pomerleau
Rock
Shepherd
St-Laurent
Stewart (Northumberland)
Telegdi
Tobin
Venne—103

Anderson
Axworthy (Winnipeg South Centre)
Bellehumeur
Berger
Bernier (Gaspé)
Blondin-Andrew
Brown (Oakville—Milton)
Bélisle
Campbell
Caron
Chan
Copps
Daviault
de Savoye
DeVillers
Discepola
Duceppe
Dumas
Eggleton
Fillion
Flis
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gauthier (Roberval)
Godfrey
Graham
Guay
Harvard
Irwin
Kirkby
Kraft Sloan
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Loubier
MacLaren (Etobicoke North)
Marchand
Marleau
Massé
Mercier
Murphy
Paré
Peters
Picard (Drummond)
Rocheleau
Sauvageau
Sheridan
Stewart (Brant)
Szabo
Thalheimer
Tremblay (Rimouski—Témiscouata)

PAIRED—MEMBERS

Members

Bachand
Bouchard
Collenette
Dubé
LeBlanc (Cape/Cap Breton Highlands—Canso)
Ménard

Bevilacqua
Cauchon
Crête
Lalonde
Minna
Robichaud

● (1825)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

RECOGNITION OF THE PATRIOTES OF LOWER CANADA AND THE REFORMERS OF UPPER CANADA

The House resumed from December 9 consideration of the motion.

The Acting Speaker (Mr. Kilger): Pursuant to the order made on Friday, December 9, 1994, the House will now proceed to the taking of the recorded deferred division on the motion, as amended, by the hon. member for Verchères under Private Members' Business.

As is customary we will proceed with the recorded division row by row, as we did for the previous division.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 147)

YEAS

Members

Adams
Althouse
Arseneault
Asselin
Bakopanos
Beaumier
Bellemare
Bernier (Gaspé)
Bhaduria
Bonin
Brien
Bélair
Caccia
Caron
Chamberlain
Chrétien (Frontenac)
Dalphond-Guiral
Debien
de Savoye
Discepola
Duceppe
Dumas
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagnon (Québec)
Gerrard
Godin
Grose
Guimond
Hickey
Hubbard
Iftody
Jackson
Kirkby
Kraft Sloan
Langlois
Laurin
Lavigne (Verdun—Saint-Paul)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Lincoln
Allmand
Anawak
Assad
Axworthy (Saskatoon—Clark's Crossing)
Barnes
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Blaikie
Boudria
Bryden
Bélisle
Canuel
Catterall
Chan
Copps
Daviault
de Jong
Deshaies
Dromisky
Duhamel
Easter
English
Fillion
Finlay
Fontana
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gauthier (Roberval)
Godfrey
Graham
Guay
Harb
Hopkins
Ianno
Irwin
Jacob
Knutson
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Lee
Leroux (Shefford)
Loney
Loubier
Malhi
Marchand
Massé
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Milliken
O'Brien
Pagtakhan
Paré
Peric
Picard (Drummond)
Plamondon
Reed
Rideout
Rock
Shepherd
Speller
Taylor
Tremblay (Rimouski—Témiscouata)
Volpe
Wood—133
MacDonald
Maloney
Martin (LaSalle—Émard)
McGuire
McLaughlin
McTeague
Mercier
Nunez
O'Reilly
Parrish
Patry
Phinney
Pillitteri
Pomerleau
Regan
Rocheleau
Sauvageau
Solomon
St-Laurent
Torsney
Venne
Wappel

NAYS

Members

Abbott
Baker
Berger
Bertrand
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Campbell
Chatters
Cowling
Culbert
Dhaliwal
Epp
Frazer
Gallaway
Gouk
Hanger
Harper (Simcoe Centre)
Hart
Hayes
Hill (Macleod)
Hoeppner
Keyes
Manning
Mayfield
Mills (Broadview—Greenwood)
Morrison
Murray
Nunziata
Penson
Pickard (Essex—Kent)
Richardson
Schmidt
Solberg
Stewart (Brant)
Strahl
Telegdi
Thalheimer
Ur
Vanclief
Wayne
White (Fraser Valley West)
Young —85
Ablonczy
Benoit
Bernier (Beauce)
Bethel
Bridgman
Brown (Oakville—Milton)
Calder
Cannis
Collins
Crawford
Cummins
Duncan
Forseth
Gaffney
Gilmour
Grey (Beaver River)
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Prince George—Peace River)
Jennings
MacAulay
Marleau
Meredith
Mitchell
Murphy
Nault
Payne
Peters
Ramsay
Ringma
Scott (Skeena)
Steckle
Stinson
Szabo
Terrana
Thompson
Valeri
Verran
Wells
Williams

PAIRED—MEMBERS

Members

Bachand
Bouchard
Collenette
Dubé
LeBlanc (Cape/Cap Breton Highlands—Canso)
Ménard
Bevilacqua
Cauchon
Crête
Lalonde
Minna
Robichaud

• (1835)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

Some hon. members: Hear, hear.

(Motion agreed to.)

Mr. Serré: Mr. Speaker, I would like the record to show that I was present during the vote, but that I deliberately abstained from voting.

[*English*]

The Acting Speaker (Mr. Kilger): It being 6.40 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

[*English*]

* * *

COMMUNICATIONS SECURITY ESTABLISHMENT

The House resumed from November 15 consideration of the motion and of the amendment.

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, it is a pleasure to have an opportunity to rise and speak on this motion of the member for Scarborough—Rouge River to deal with an issue which I am sure does not capture the hearts and minds of a whole lot of people.

I had the opportunity to work on a parliamentary committee in the previous government. We were responsible for a five–year review of CSIS. This motion really emanates from the lack of courage as I would put it of the previous government to deal with this issue of oversight over agencies that can collect data and information on individual Canadians.

In that sense I welcome the opportunity to be here this evening and talk about the proposal that would see the Communications Security Establishment, CSE, fall within the oversight provisions of SIRC, the Security Intelligence Review Committee.

This recommendation really flows from our committee recommendation which was unanimously adopted by all parties in the previous Parliament. I congratulate the member for Scarborough—Rouge River for keeping the issue in front of Parliament and in front of Canadians and bringing forward a motion that I hope all members of the House will see their way clear to support.

The effects of the motion quite frankly would see that CSE would fall under oversight. People will ask what is oversight and what does it mean. It is a protection for individual Canadians and it is really Parliament overseeing agencies that can collect data and information and even conversations of individual Canadians as they go about their daily lives.

I think the issue was put quite nicely by the Library of Parliament in its paper on CSE. I would like to read one section of it because it does put the issues fairly succinctly. I am quoting page 14:

> Ward Alcock told the House of Commons subcommittee on national security in June 1993 that CSE is a foreign intelligence collection agency. The very nature of its work depends upon a degree of secrecy. To the extent to which it works is not secret, it loses its capacity to function and to collect information that is of use and value to the Government of Canada.
>
> This statement puts the key issue into its most basic terms: how can a government institution that functions most effectively in the shadows be held publicly accountable without compromising its efficacy? This question is especially important when it relates to an agency with the capacity to violate the rights and freedoms of Canadians.

The opinion that was given by the Library of Parliament was also buttressed by a well known author, Richard Cleroux, who recently wrote a book, "Official Secrets", a look at the spy agencies and other agencies that were involved in collecting data on Canadians and to protect Canadians from untoward activities by foreign governments and foreign agencies.

While I hate to read a rather lengthy quote, I think Mr. Cleroux in his book captures the spirit of what is involved and what this motion is trying to do. I quote pages 77 and 78:

> The CSE, which is considered the only government agency more secret than CSIS, employs more than 1,700 people, and uses highly sophisticated radio and telecommunications equipment to listen in simultaneously to thousands of embassy, ship and airline telephone and telecommunications transmissions and voice conversations across Canada and around the world.
>
> The CSE functions as a funnel. Everything that is telecommunications in Canada is sucked into it. It needs no judicial warrants because it is part of the military, not part of CSIS.

• (1845)

Later on the same page:

> Most of the information picked up by CSE is in the form of electronic data rather than voice conversation. Ninety–nine per cent is shipped wholesale, without ever being analysed here, to the U.S. National Security Agency in Fort Meade, Virginia. The Americans in turn tell the Canadians what they think the Canadians should know.

That is a very clear and concise statement of what is happening with CSE as noted by the author Mr. Cleroux. It points to why we need some oversight, be it parliamentary or otherwise.

This motion says it should be SIRC that carries out that particular function.

We had the privilege of having Stuart Farson advise us and do research for us as we looked at the five–year review of CSIS. He was concerned that CSE was without any parliamentary oversight and that the question of Canadian rights being possibly trampled was very important. In effect he made recommendations to us as a committee that we should look at including CSE in the oversight function.

As we look at what some of the authors have to say, both Mr. Cleroux and Stuart Farson in his paper "Canadian Security Intelligence in the Eighties", it becomes clear that we have a number of agencies. CSE is well–known and clearly defined, being discussed in Parliament and elsewhere. There are also other agencies within the RCMP and other departments of government that have no oversight. That circumstance only exists in Canada. The United States Congress has an oversight committee as well as do other countries in the world.

It is important that we protect Canadian rights. We can still protect secrecy. It is the beauty of the circumstance with the Security Intelligence Review Committee that only those things that should be made public are in fact made public. It is an independent committee of independent people who are the eyes and ears of Parliament.

I go further and support the member for Scarborough—Rouge River in his efforts to have some parliamentary oversight. While there is some duplication, in the long run it is beneficial that we have that oversight in order to protect the rights of Canadians. When one thinks somebody could be listening into a telephone conversation or the electric transmission on a fax machine without having a warrant, something is fundamentally wrong with the circumstance. It requires parliamentary or in this case SIRC oversight. That is what the motion will hopefully accomplish.

I would refer members to our report on CSIS and recommendation 87. It says:

> The Committee recommends that Parliament 1) formally establish the CSE by statute—

This is not the case presently.

> and 2) establish SIRC as the body responsible for monitoring, reviewing and reporting to Parliament on the activities of the CSE concerning its compliance with the laws of Canada.

As it says in the write–up:

> The Committee sees no reason in principle, however, why the security and intelligence arms of the Department of National Defence should not be reviewed by SIRC.

Personally I support the position. I voted in favour of it when the committee looked at it and I support it now. All Canadians need to be protected. These are important rights that should not be easily trampled on. We do not need some big funnel in the sky scooping up all of the information and transporting it to the United States for analysis.

I would recommend the motion to all members of this House.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, let me first of all commend the member for Scarborough—Rouge River for his concern for making the debate on the CSE more transparent than the answers given during Question Period by the minister responsible, the Minister of National Defence.

Indeed, the member who also chairs the sub–committee on national security, has moved: "That, in the opinion of this House, the government should amend the Canadian Security Intelligence Service Act to authorize the Security Intelligence Review Committee to review the operations of the Communications Security Establishment (CSE)".

• (1850)

As you can see, this augurs much better than the minister's various statements on the subject. This motion is based on a principle which the Bloc Quebecois has stated many times: the ability to account to our taxpayers for the activities of federal institutions, including the Communications Security Establishment.

If this motion is adopted and implemented by the Liberal government, the Communications Security Establishment will be accountable to the Security Intelligence Review Committee, better known as SIRC. It is estimated that the CSE spends between $200 and $300 million a year without being held accountable for it. It is also estimated that the CSE employs between 800 and 1,000 employees, but other sources put the number as high as 1,850.

However, it is impossible to obtain confirmation of these figures at this time. Furthermore, recent allegations from a former spy who worked in the CSE for several years indicate that agents used electronic eavesdropping to intercept the telephone calls of Quebec politicians. When questioned on this subject, however, the Minister of National Defence hides behind the sacrosanct national interest and refuses to answer.

The motion of the member for Scarborough—Rouge River does not set a world precedent, far from it. The Australian Security Intelligence Organization, MI–6, the Government Communications Headquarters in Great Britain, and the CIA in the United States are already monitored in their respective countries by an outside committee, which operates in a way similar to what is proposed in Motion M–38.

Belgium and some countries which belonged to the former Warsaw Pact are now considering the possibility of doing exactly what the member for Scarborough—Rouge River is proposing for Canada. Unfortunately, our Minister of National Defence tells us that it is not in the national interest to reveal the operational methods or the administrative standards which

apply to the CSE's activities, and I refer to an article in *Le Devoir* of October 25, 1994.

Where is the respect for democracy when the minister, always in the so–called national interest, refuses to tell us how many people work for the Communications Security Establishment? After all, the Agence France Presse reported, on November 8, 1994, that the British defence minister was downsizing the secret service, and that about 100 of the 6,000 positions related to these operations at the Government Communications Headquarters would be eliminated.

The British can evaluate how their secret service is managed, as well as appreciate the fact that it is affected by the budgetary cuts announced by their government. They also know how many employees work for that service, and they are informed of the cuts affecting this organization responsible for analysis of so–called sensitive information, or intelligence.

This is where democratic transparency starts. By now, you will have guessed that I am in favour of having an external body monitor CSE's operations, as proposed in the motion now before us.

However, I have some reservations regarding the Security Intelligence Review Committee. First, I wish to point out to the hon. member for Scarborough—Rouge River that the current membership of that committee, SIRC, must be reviewed. Indeed, the members of the committee were essentially appointed on the recommendations of the main political parties in the previous Parliament. These appointments were made on the basis of recommendations by the Liberals, the Conservatives and the New Democrats.

• (1855)

I agree with my Bloc Quebecois colleagues who feel that some SIRC members no longer have a legitimate right to sit on the committee, since their presence does not reflect the will of Canadians, as expressed during the last federal election. Indeed, these members essentially represent political parties which were democratically rejected by voters.

The membership of this committee should take into account the wishes of Canadians, and it should reflect the political reality of this Parliament. It is time members of SIRC did the honourable thing and promptly resigned so that Parliament could then appoint new members to represent them on this committee.

I should add that in the near future we will have to take steps to take politics out of the process of appointing members to this committee. Furthermore, the legislation governing SIRC should concentrate on reviewing certain mechanisms that raise a number of questions. For instance, does the process of reporting to Parliament really give members a chance to establish that the rights and freedoms of Canadians and Quebecers have been respected? Should this mechanism be more transparent? Should SIRC be allowed to submit its annual report uncensored to the Speaker of the House?

Under section 54 of the CSIS Act, SIRC is also required to submit to the Solicitor General, on a regular basis, special reports concerning specific events. Should we provide that the nature and subject of these regular reports be routinely communicated to the House?

Section 30 of the CSIS Act defines the functions of an inspector general, which include monitoring compliance with operational policies and reviewing the operational activities of CSIS. Before including the CSE in this legislation, we should consider the relevance and effectiveness of having both an inspector general and the SIRC for monitoring purposes. Is this duplication that could be avoided?

Should the mandate of the director of the CSE be seven years, like his counterpart at CSIS? Or should tenure be during pleasure? Should SIRC have access to cabinet documents which are not legally accessible at the present time? And finally, should a member of the Auditor General's office audit CSE's accounts and report his findings to this House?

Many questions remain to be answered. I think that in the public interest, the government should answer them as soon as possible to prevent further erosion of the public's trust in federal institutions.

In concluding, I seriously hope that the government will react favourably to the motion presented by its member for Scarborough—Rouge River and that it will give careful consideration to my questions and recommendations.

[*English*]

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, it is a pleasure to have the opportunity to contribute to debate on motion M–38 introduced by the hon. member for Scarborough—Rouge River.

It is also a pleasure to support this motion. It is not only timely but essential to accountability. It is essential to amend the Canadian Security Intelligence Service Act to authorize the Security Intelligence Review Committee to review the operations of the Communications Security Establishment, or CSE.

This motion brings to light concerns expressed as early as 1990 in the book *Spy Wars* and more recently in the new book *Spyworld* written by Michael Frost, a former CSE employee, where it is alleged that this organization routinely snoops on law–abiding citizens. It compiles dossiers on everything and

everybody from Margaret Trudeau to Quebec separatists. It is open season on any unsuspecting Canadian citizen.

CSE is a unique entity in government. It normally comes under the jurisdiction of the Minister of National Defence as its budget is hidden in the communications budget of the military. However, in reality it is a separate entity that receives its operational tasking from the deputy clerk for security and intelligence of the Privy Council. The political tasking comes from the cabinet committee on security and intelligence.

• (1900)

As we witnessed as a result of recent questioning in the House, the mandate of the CSE is questionable. There is no political accountability except to a group of cabinet ministers which is the most secret cabinet committee of government. Here we have an agency with a budget of hundreds of millions of dollars listening to overseas phone calls and accountable to no one person. This is not ham radio and catching the BBC Sunday night opera. This is serious business. It requires serious attention.

We are told all this snooping is done to protect national security. Well the Diefenbunker is no longer a secret and we are about to mothball some CF–18s. There is no obvious external threat, so why so much resistance from the government to outside scrutiny?

While I am no big fan of SIRC, it is as good as anything we have for this purpose. SIRC has managed to keep an eye on our spies without exposing them to danger. We can work on the patronage elements of SIRC at a different occasion.

Why not let SIRC have a review capacity in CSE? Why should CSE be above the law? Why should its budget, mandate and methods not be scrutinized? The operative question is: Does CSE spy on Canadians? The Deputy Prime Minister says it has no mandate to do so, but the Deputy Prime Minister recently refused to answer direct questions regarding if in fact it had.

In September 1990 a report entitled: "In Flux But Not in Crisis" was tabled. This report was the work of a special parliamentary committee on the review of the Canadian Security Intelligence Service Act. On page 153 it reported: "This organization clearly has the capacity to invade the privacy of Canadians in a variety of ways. It was established by order in council, not by statute and to all intents and purposes is unaccountable."

The passage goes on: "While the committee understands that this agency must be shrouded in secrecy to some degree, it believes that Canadians should be in a position to understand what the organization does and should not have to wonder whether their rights and freedoms have been infringed. The committee has evidence that both the RCMP and CSIS have asked the CSE for assistance and as such the committee believes that the Communications Security Establishment should have a statutory mandate that provides for review".

My congratulations to a member of that special committee, the hon. member for Scarborough—Rouge River, the member responsible for the motion before us today. He at least recognizes the gravity of the previous passage I just read from the report.

The Minister of National Defence unfortunately believes there is already sufficient review. To me, he is another of those do nothing, say nothing, status quo ministers who would rather stonewall than change. Things are just fine the way they are because they do not impact on his personal and private life.

The fact is this minister really does not have control of the CSE. What he controls is financial and administrative matters. The chief of the CSE reports to the Clerk of the Privy Council for policy and operations. This is not what I consider a fully constituted part of DND like the minister says it is.

The minister need only take a look at the government's response to the "In Flux But Not in Crisis" report entitled: "On Course: National Security for the 1990s" to see what it has to say about control of CSE and what is and what is not a fully constituted part of the Department of National Defence. The Prime Minister and the Privy Council Office are the real power and the issue. The Minister of National Defence is the filler in the sandwich.

• (1905)

I am not as naive as to believe that Canada does not need to intercept communications for intelligence purposes. It is part of the electronic information highway. There has to be some form of review and accountability, otherwise abuses can take place.

As the book *Spyworld* states: "Employees of the CSE routinely listened to the conversations of Canadians as they tuned and tested their equipment". I also believe there is nothing wrong with sweeping offices or encrypting phones. This is normal in today's age but I want to know what the CSE is doing besides this. I want to know that it is not abusing its powers. An external review agency seems the only way we can lift this veil of uncertainty, assure accountability and free the CSE from suspicion. That does not sound like such a bad thing to me.

I understand that the CSE is good at what it does. Let us make it even better. Let us support this motion for the good of all Canadians.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, it is a pleasure to rise to support the motion of the member for Scarborough—Rouge River.

Let me begin by first making an observation about the Canadian Security Intelligence Service. We recognize that the role of CSIS is one of counterespionage and counterterrorism in Canada. Its role is to ensure that foreign governments do not

have an improper influence on the lives of Canadians in the sense that it would compromise Canada's security.

That is a very important function in Canada because we are a multicultural society. We value very greatly immigration from all lands. We value our tremendous ethnic and cultural diversity. The fear is that this ethnic melting pot, as it were, may be influenced by some of the foreign nations from which immigrants come and the traditional ethnic hatreds that some countries have.

To that end CSIS protects our interests by doing intelligence work in the ethnic communities in Canada in order to prevent terrorists or foreign governments getting a hold. In doing that we as Canadians have to be concerned that while CSIS fills that very important function that it does not go too far and that the rights of Canadian citizens are protected, including ethnic Canadians.

To cover off that problem we have built into the CSIS act a very excellent control, the Security and Intelligence Review Committee. It is basically a committee of Canadians of conscience who are appointed. They have sweeping powers to doublecheck what CSIS does to make sure that while it does operate in secrecy it operates in a way that has the interests of all Canadians at heart.

Now we come to the Communications Security Establishment. This organization springs from the second world war and Canada's involvement in code and cipher breaking. It is well known what it does now. It is an agency whose role is to intercept communications and to process them. Its direction is toward the collection of foreign intelligence.

I should say it has quite an interesting history. It arose from an organization called the examination unit and specialized in the second world war in breaking Vichy French codes and some Japanese and then went on to break the codes of the free French.

Indeed we will find when the book is written on the subject that the Communications Security Establishment during the early part of the cold war undoubtedly specialized in analysing the diplomatic codes and ciphers of France. I think we will find that this was one of the reasons for the vive le Quebec libre speech of Charles de Gaulle. I think he was very annoyed to discover that Canada had France as a target.

• (1910)

There is nothing unusual in that as all nations monitor the telecommunications of other nations, be they friends or enemies. It is a way of determining whether contracts are kept, if governments are interfering in the diplomatic and commercial affairs of one's own nation.

This type of study takes two shapes. It is code and cipher breaking where you actually attempt to break the codes and ciphers of another nation, be they diplomatic or commercial ciphers. It also takes the form of traffic analysis. When you cannot break the codes and ciphers of another nation you examine where messages are being sent and the volume of messages. That gives an indication of what that country is doing in terms of its diplomatic or commercial activities.

Over the last 15 years code and cipher breaking has lessened in importance in the field of communications intelligence, primarily because code and ciphers have become increasingly hard to break. More than that, it is because communications satellites particularly have enabled governments to monitor the affairs of other nations in a much more efficient manner than could be done hitherto.

I believe the collapse of the Soviet Union had much to do with the fact that satellites were monitoring its lack of economic progress more than with any other cause. The Soviet Union could not hide from the satellites that trains were not running, that there was pollution everywhere and that the Soviet Union was in an economic mess. It worked the other way as well. The Soviet Union was monitoring Canada and the United States and the western world. It could see that it was losing the economic war.

In the world of intelligence the agency that looks after domestic counterespionage and the foreign intelligence gathering agency like the Communications Security Establishment are complementary. They always work together. In the case of foreign and diplomatic intelligence it is important for CSIS to monitor what is happening to foreign nationals on Canadian soil who may be engaged in espionage. The parallel activity is the Communications Security Establishment which monitors the actual traffic in diplomatic and commercial communications. These things always go together.

There is the same situation in Canada with its ethnic makeup. While we have CSIS looking after anti-terrorism shall we say, it inevitably has to probe into the affairs and activities of various ethnic communities in Canada. Similarly the CSE has to be in tune with what may be happening in terms of communications, whatever it can derive either from telecommunications or other communications sources what is happening to the nations that may not have Canada's interests at heart or may be attempting to influence ethnic communities in Canada. The two are complementary and very necessarily so.

This type of activity overlaps in subtle ways. I would like to go back for a second to World War II and tell a very brief story which illustrates this point. It was a great triumph for Canadians during World War II and was not reported very well at all.

In 1940 in North Africa the British were facing the Italians in great numbers. Britain had very few troops on the ground in Egypt and the Italians had an enormous army in the western desert. Britain had its back to the wall with the fall of France and

was very fearful with Italian entry into the war about what would happen in North Africa.

The Canadian army intelligence had the advantage of being able to monitor the telegraph lines that left Canada from Newfoundland and Nova Scotia and went to Britain, the Canary Islands, Spain and ultimately to Italy. Telegraph traffic coming out of the United States had to pass momentarily through Canada before it went on to Italy.

• (1915)

Even before Mussolini declared war on the allies after the fall of France, or as France fell, Canadians were monitoring the traffic of Italian Americans communicating with relatives in Italy. Mussolini, in an attempt to raise money to buy weapons, had asked Italian Americans to remit U.S. dollars to Italy so relatives would be paid a bonus in lira in Italy. Italian Americans were constantly sending remittances to their relatives in Italy. This was just before the Italians declared war and just after.

Canadians were monitoring all this. As the banks in the United States required that the remittances give names and addresses, it was found that many remittances were being sent to Italians in the military. They were being sent to the actual bases where the Italian military personnel were located. This enabled Canadians to construct the entire Italian order of battle before Mussolini declared war. Wavell, the famous British general who defeated the Italians in the western desert, knew exactly where every division or every unit in the Italian army was in the desert.

We can see how in the intelligence field, communications intelligence, foreign intelligence gathering can be mixed with something that is essentially a domestic phenomenon. In this case it is out of country; it is the Italians but it is a communications phenomenon.

I told the story for the basic reason that we should have a situation in the intelligence world where one arm of secret intelligence gathering, which is CSIS, is responsible and answerable to some review committee which, shall we say, has an oversight role. We cannot have half a loaf; we need the entire loaf. I submit that no matter how competent the Communications Security Establishment inevitably there is some overlap. Both arms of secret intelligence should make this independent review, and for that reason I entirely support the motion.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, it is a pleasure for me as well to speak on the motion put forth by the hon. member for Scarborough—Rouge River and the amendment of the hon. member for Bellechasse.

The motion per se is to amend the Canadian Security Intelligence Act to authorize the Security Intelligence Review Committee to review the activities of the Communications Security Establishment. As for the amendment, it is designed to force the review committee to table each year before this House a report on the activities of the CSE.

First of all, I would like to say that I agree entirely with the motion with amendment, as I think it is essential for the elected representatives to retain a minimum of control on agencies and institutions related to the world of espionage and intelligence that CSIS, the CSE and the SIRC are.

It also appears necessary, in the light of recent events, to remind the individuals who are part of such organizations that their duty is first and foremost to serve the public and that we have been elected to represent the public.

Concerns expressed by members from both sides of this House are born out by disconcerting revelations concerning alleged unlawful activities of the Canadian Security Intelligence Service and the Communications Security Establishment.

How does a country that prides itself on being one of the most democratic in the world explain having agencies that account for their activities only when and to whom they please? One can also wonder what the current Liberal government is doing to give a feeling of security and restore confidence to all Canadians, but Quebecers in particular, who may have been targeted more often than they should by unlawful investigations.

Why did the government not react when it found out that serious allegations had been made and that the relevant standing committee of this House had been unable to obtain satisfactory answers? Why did a private member have to take the initiative? How will this be perceived by the public?

• (1920)

Although the member's initiative is eminently positive, we have a right to wonder what kind of image this passive government is sending to the population whose suspicions and concerns are quite justified.

There is no doubt that the Security Intelligence Review Committee is essential to ensure at least a minimum of accountability on the part of CSIS and eventually the CSE.

Only yesterday, we learned from a Canadian Press article published in *La Presse* that CSIS may have overstepped its mandate and inadvertently revealed secrets in trying to fight industrial espionage. The national agency may have collected with complete impunity information having nothing to do with any threat to national security.

It is certainly not the first time, and probably not the last, that such a thing has occurred. In this case, the review committee produced in 1993 a secret report that was obtained under the Access to Information Act. This should not be seen as a model of openness but it is an acceptable minimum. Unfortunately, this

acceptable minimum does not currently apply to the CSE which, as we have seen recently, enjoys an unusual level of freedom.

The Deputy Prime Minister said loud and clear in this House that the CSE's mandate was not to spy on Canadians. But no one was fooled, especially since the question that was put to her did not deal with the CSE's mandate but with its actual operations. In fact, the CSE has no mandate defined in legislation and is accountable only to the Privy Council. Clearly, it is not in the Privy Council's interest to make the CSE's blunders public, which makes it a very poor watchdog, we must admit.

The motion being debated today would considerably improve the situation, since it would make the CSE subject to monitoring by SIRC. Unfortunately, I must express some reservations about SIRC's effectiveness. I am thinking, for example, of SIRC's serious credibility problems, which are due to the fact that it is now made up of people who have not understood that they are answerable to Parliament and to the public, and who hide behind a narrow interpretation of some legal provisions to justify their silence.

The testimony given by members of SIRC before the House Committee on National Security on September 13 was a disgrace and Canadians and Quebecers were certainly not well served. At least four of these individuals, whose sense of ethics seems to be quite underdeveloped, were appointed by the previous government, which, need we remind you, was rejected by the voters in the most summary fashion. We are entitled to question the legitimacy of these well–known Conservatives who sit on SIRC.

That is why I join my colleagues in the Bloc Quebecois to demand the immediate resignation of these individuals, and I urge the Liberal government to act on this.

A significant renewal of SIRC's staff would reflect the new make–up of this House and bring new blood to an organization which really needs it.

Hopefully, with a minimum of four new members, the Security Intelligence Review Committee could regain some of its lost credibility. These changes are essential, but they are still cosmetic.

Only this government, through the Solicitor General, can make the required changes to the legislation on the Security Intelligence Review Committee.

We can have motions to force the SIRC chairman to provide real answers to parliamentarians, instead of just saying "maybe" or "maybe not", but he will not do so as long as the government does not make significant changes to the act establishing the SIRC.

Although the Official Opposition can only agree with the underlying principle of this legislation, it questions the process for appointing SIRC members, as well as the ambiguous relations of that committee with Parliament.

In conclusion, the issue debated today was in fact the relation of confidence between Canadians and their institutions. When they were in opposition, the Liberals kept asking for greater transparency, as well as better control by Parliament over spy agencies.

The Communications Security Establishment spends over $250 million annually.

• (1925)

What does it do with that money? How does it spend it and for what purposes? We hope that the proposed motion will shed some light on CSE's operations. However, we are very aware that it is up to the federal government to ensure greater transparency regarding intelligence activity in Canada. Unfortunately, this government seems totally paralysed over this issue, as with several other strategic issues.

I want to congratulate the hon. member for Scarborough—Rouge River, and the hon. member for Bellechasse for their initiative which, I hope, will be supported by the government and approved by the majority of members in this House.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, I think we should bear in mind several aspects of the world situation, in other words, the geopolitical, strategic situation of Canada. As a nation with a population of 30 million and a member of the G–7, as a country with a fairly important position in the world, we have to consider not only Canadian industry but also the security of this country today and in the next century.

It would perhaps be useful, in a discussion about the Communications Security Establishment, better known as the CSE, to consider briefly Canada's foreign intelligence activities and the role of the CSE in this respect. First of all, I would like to explain what is meant by foreign intelligence. The term foreign intelligence refers to information on the resources, intentions and activities of foreign states, moral entities or individuals as they concern Canada's defence or the conduct of Canada's international affairs.

This may include information of a political, economic, military or scientific nature or indeed information related to the country's national security. We should also realize that, unlike many of its allies, Canada has no active foreign intelligence service. However, like most countries, Canada has set up a number of limited mechanisms for collecting and analysing information from other countries.

Earlier I mentioned the political context. Since the demise of the Soviet Union and the Eastern Bloc, there has been an increasing sense of instability. This is no longer the world we

used to know, where we had the Communists on one side, and the free world on the other, and when we knew who our enemies were. The world has changed considerably since the fall of the Berlin wall in 1989.

I think that today we live in a world that is far more insecure, unstable and uncertain—when we look, for instance, at Eastern Europe—a world where there is a certain lack of cohesion. We have all these small republics, the conflict between Russia and Chechenya, the dissolution of Yugoslavia and the problems of reconstruction in Eastern Europe. There are very real threats, not only locally, but internationally.

We no longer have the kind of control over nuclear arms that we had at one time, and unfortunately, this uncertainty has caused some nations to cast envious looks at Canada and the West. That is why Canada is not necessarily immune to the changes that have been taking place during the past five years, and especially as a result of the events and disruptions in Eastern Europe. That is, as you know, the political reality we are all faced with.

• (1930)

There are economic challenges as well. More and more, a number of countries, some of which we may have thought of as friends, are showing a great deal of interest in Canadian industries. I would say that, these past few years, allegations of industrial spying in the pharmaceutical industry have been increasing. In Quebec, there have been blatant cases of Quebec interests being targeted. They were spied on because they had knowledge and technologies that some of our allies, who will remain nameless, wanted for themselves. It makes us realize that we have knowledge that the whole world is interested in having. Why not use it?

The same with the airspace industry. Many countries have shown an interest for Canadian companies such as Bombardier and de Havilland. I also hear that we have companies specialized in high technology and biotechnology. There is no doubt that an increasing number of foreign countries are interested.

So, we are not immune to change, nor to other countries wanting to obtain information from Canada unlawfully, if not illegally.

I think that Canada has prospered because of the security we enjoy in this country, good understanding and economic and political stability between provinces, co–operation between the industry and the Government of Canada. But this security must be maintained and that is why I think that a communications security establishment meets that need not only to look after our interests, but also to ensure that military changes or upheaval outside Canada do interfere with scientific and technological progress on the home front.

There is no question that the world we live in is not an easy one. Personally, I would rather live an a world where there would be no CSE, no CIA, no M–5, no KGB, and no foreign interest.

I believe some people, and this is often the case for the Bloc, have concerns, whether they are founded or not, about the existence of the CSE and other such organizations we have known in the past. But we have a role, an obligation to protect our industries. That is why the CSE is more interested in helping protect Canadian industries trying to develop in an increasingly competitive world.

There is Eastern Europe and then, there are emerging Asian countries. Again, there is interest in the new Canadian technologies, the aluminum and paper industries in particular, where Canada has held on to a certain tradition of supremacy. In an increasingly competitive international environment, we need an intelligence service like the CSE to make sure that information stays in Canada and that such countries do not disrupt the operation of our businesses.

Canada is also a multicultural country. More and more of our people come from other countries.

• (1935)

Since Canada is a welcoming country, we have people coming from various countries in Latin America, Asia, Central and Eastern Europe. Sometimes, people return to Canada and settle here to destabilize the country.

There are even well–known and not so well–known ethnic groups facing internal conflicts that have unfortunate repercussions at the national level.

I think that my time is up, but I would like to say, in conclusion, that we need an intelligence service like the CSE, whose main concern is protecting Canadians in the international community and, unfortunately, because of the geopolitical realities prevailing here as the century draws to a close.

[*English*]

The Acting Speaker (Mr. Kilger): Before I give the floor to the hon. member for Saanich—Gulf Islands, being as we are getting close to a period of recess, I wonder if there might be unanimous consent to allow the member for Saanich—Gulf Islands, instead of taking five minutes now and having the remaining five minutes of his ten minute maximum to be taken up at the third hour debate at another time when we return, if the House would give unanimous consent to allow the member to make his intervention complete. At that time we would go to the late show. The member would have five minutes and we would go with no later than ten minutes from the time he would start. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, in speaking to Motion M–38 today, I am convinced that important Canadian issues are involved. That there are problems with the Communications Security Establishment, CSE, is emphasized by the fact that the hon. member for Scarborough—Rouge River who chairs the subcommittee on national security feels obliged to call for the government to authorize a regular ongoing review of CSE operations.

Concerns over the mandate of CSE and other Canadian intelligence agencies have been reported in the media, and the release of *Spyworld* has caused indignation in many quarters.

CSE is not directly accountable to the public purse, to Parliament or to any other independent body. The 1990 review by the special committee of the Canadian Security Intelligence Service Act acknowledged that it is now time to examine the wider dimensions of Canadian security and intelligence community and to impose statutory mandates and review mechanisms where necessary.

However, government took no action. Ten years ago Parliament passed legislation holding CSIS operations accountable to an independent body, the Security Intelligence Review Committee, SIRC, which is made up of five political appointees.

SIRC would not rank anywhere near being the best check and balance on the operations of CSIS but it is certainly better than having no review or accountability mechanism. To paraphrase an old saying, if halitosis is better than no breath at all then SIRC is better than no supervision at all.

Thus, while SIRC may not be the best answer, one wonders why the review committee did not also invoke the same requirement for CSE operations. Therefore, Motion M–38 is timely and important.

When the special committee called for a regular review of security and intelligence agencies it also recommended that this agency should have statutory mandate to provide for review and monitor mechanisms. At the time government was considering providing the Minister of National Defence with additional capacity for review of the CSE. To this day government has dragged its heels and has failed to initiate the means for review. It has failed to hold the agency accountable to an independent body for its expenditures or even direct legislation to protect private citizens from the prospect of CSE intruding into and invading our privacy.

There is cause for great concern. Today high tech, computerized world is much different from that which prevailed at the time of CSE's inception during the second world war. It was then set up to intercept signals and break enemy codes, referred to as ciphers and codes.

Today CSE is responsible for communications or information technology security, COMSEC or INFOSEC, and signals intelligence, SIGINT. It sounds not unlike Goldfinger in James Bond or Captain Kirk in "Star Trek"or "Star Wars" all rolled into one.

• (1940)

Unquestionably there is a need to know the state of the art so that CSE can ensure federal government telecommunications or electronic data processing systems are known to be secure.

It must ensure that government personnel are given security training or education and that Canadian industry has access to appropriate security advice, although this aspect might better be left in the hands of the private sector.

The darker side, of which little is known, is that CSE monitors the communications of foreign countries to provide intelligence to government. It listens in on radio and telephone communications between embassies and home countries or consulates. It follows all national and international telephone calls. It records foreign radio communications and reads electromagnetic transmissions from embassy typewriters, processors, and so on.

We understand that 80 per cent of its operational budget is directed to the signals intercept program for communications intelligence which uses radio waves or radar to spy and protect national security; for example, telemetry intelligence, interception of signals relaying information from sensors on board a test vehicle to test engineers, revealing the vehicle's flight and performance characteristics.

Parliament has no statutes or laws to direct the CSE because it was established by order in council, by a cabinet directive. Thus one can speculate on the obvious CSE operations but only the depth of our imagination limits the breadth of its capability and potential involvement. By and large it seems that CSE is accountable to no one. It has virtual carte blanche to write its own terms and exercise full discretionary powers.

Little is known of its operations and even less about how it spends the public's funds it is given. During House of Commons debate hon. members have quoted from the *Globe and Mail* that expenditures in the order of $100 million to $125 million were budgeted for 1991. Another hon. member ventured to guess that $250 million would be a conservative estimate. Who knows how much is spent, how it is spent or why it is spent—perhaps some cabinet ministers, but certainly no independent regulatory agency exercising control.

When one considers Canada's massive deficit–debt it becomes obvious that government has an obligation to seek ways to trim fat, ensure accountability and avoid duplication of efforts. This motion provides government with an excellent opportunity to do just that.

Two special joint committees of this Parliament have only recently concluded reviews of Canadian foreign policy and defence policy. As a result Canada's role in foreign affairs and our military will be adjusted to better reflect today's needs. It would be logical to follow with a review of Canada's security and intelligence agencies. There has been no such review since

their inception in the 1940s and operational control has become lax because their accountability is not adequately enforced.

Obviously a certain amount of secrecy and restricted knowledge of activities is required for CSE. Everyone understands that an intelligence agency cannot adequately perform its duties unless it is to some extent clothed in a veil of secrecy. However, there must still be a mechanism to ensure that activity control limits are in place and enforced and that the taxpayer's dollar is being appropriately and efficiently employed in service to Canada and Canadians.

In 1975 an order in council transferred responsibility for CSE from the National Research Council to the Department of National Defence, but only administrative responsibility was transferred, not its mandate, powers, control or accountability. Thus, I strongly endorse Motion M–38 calling for the government to amend the Canadian Security Intelligence Service Act to authorize the Security Intelligence Review Committee to review CSE's operation and budget.

Government could and should go even further by transferring CSE from the Department of National Defence to CSIS. Such action would make CSE subject to the same control and accountability that CSIS now is.

There is urgency required in implementing some statutory directive because of CSE's capacity to invade and intrude into our privacy. Southam News has already reported that the Privy Council Office has asked the RCMP's legal branch to examine legislation that would make it easier for police to intercept digital or computer communications.

• (1945)

In the United States similar laws are under study and the Digital Telephony and Communications Privacy Improvement Act giving telecommunications companies funds to develop software technology allowing full access to telecommunication systems has been debated in the U.S. Congress.

If enacted, this U.S. law would permit monitoring of a wide range of personal data. Are we in Canada also to have our own big brother tracking our every move? Electronic eavesdropping is surreptitious, easily used, and has the capacity to intrude into our most private lives with no search warrants required.

Despite the minister's assurance that CSE has no mandate to spy on Canadians, we do not know what its mandate is. Without checks and balances CSE has no limits to its operations and can be used against anyone without their having any knowledge that it is happening. To have the legal ability to so infringe on our right to privacy is simply unacceptable.

In conclusion, while I have concerns about SIRC being as responsive and appropriate a monitoring agency as I would like, it is certainly better than having no monitoring agency at all. Perhaps an improvement in answer to this dilemma would be for the monitoring agency, for both CSIS and SIRC, to be constituted as a separate cell under the aegis of the Auditor General who reports to Parliament. Unless there is some technical reason why this cannot be, it would seem to provide the arm's length monitor required to do the job without political bias or interference.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired, but I want to put on record that by unanimous consent we extended the time of debate on Motion No. 38 by an extra five minutes so that the next time the motion is before the House there will be 55 minutes left of debate.

Pursuant to Standing Order 93, 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.

RAIL LINE ABANDONMENT

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, on November 2, I asked the Prime Minister to ensure that Saint John, New Brunswick, was given a dayliner after VIA's final run through Saint John which takes place on December 15.

The Minister of Transport responded to my question by saying what he needs to hear are proposals that make sense and not what was being done by the former PC government, the party that I now represent.

I find irony in what the minister has said because what the minister has done to Saint John does not make any sense. A new train station was built just last year by the former government. The Liberal government closed it, took away the VIA service and offered a bus to take passengers to Moncton.

The former government built a new air traffic control tower in Saint John. The Liberal government has now closed it and has taken the air traffic controllers away. The decisions are a waste of taxpayers' dollars.

I understand the present fiscal constraints the government is facing. The government has decided to cut non–profitable operations. One of these operations was the VIA Atlantic train

from Sherbrooke to Saint John, the first mainline ever to be abandoned.

In the Gaspé area the NTA recommended that the Gaspé rail line be abandoned, but the government of the day, the previous government, decided that the abandonment decision should be overturned because the loss of the rail service would negatively affect the quality of life in that region.

The same thing is happening in New Brunswick and in Saint John with this decision. The quality of life in my area is severely negatively affected with the removal of VIA passenger service.

Why did the hon. member's government not do the same for the eastern line as the PC government did with the Gaspé abandonment? Where is the rat pack that was there in the opposition? The minister of fisheries, the Deputy Prime Minister and others formed what was known as the rat pack. They fought hard with myself as mayor of the city of Saint John to make sure the people of Saint John had a rail service.

I cannot accept that the government has cut off the total passenger service to my riding and replaced it with a bus. In light of the savings to the federal treasury that the cut of the Atlantic service will provide, I do not feel that a dayliner would be cost excessive. Since we have a brand new railway station I feel we should get some use out of it and not waste the taxpayers' money that was spent on it. The government looks very irresponsible as does the commission for VIA when they close down a railway station that has just been built.

• (1950)

A dayliner service to Moncton would be more appropriate, given the state of highways in New Brunswick. As well it seems to me that a dayliner link if scheduled and priced properly could make money, given that the highest population density in the province resides in the area of Saint John. The decision by the minister to offer a bus instead of a dayliner is really an insult to the people of Saint John.

We were told by the previous government: "You use it or you lose it". The citizens have used it. It is a way of life for our people. There are many people who have no other way to travel except by that train.

The closure of the VIA Rail Atlantic will not save taxpayers much money and comes at a time when the Amtrak network is expanding in Maine. All these cuts and closures come at a time when in Europe and the U.S. they are building high speed and very efficient trains.

I am asking the government to ensure VIA service to Saint John by providing a dayliner to Moncton instead of a bus. In this time of giving I ask the government to give a little back to the citizens of Saint John that it has taken away.

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, owing to the impending sale of CP's operating assets between Sherbrooke and Saint John, there is no assurance of continued access for the Atlantic train. The member knows that VIA does not own tracks. It operates on running rights from CN and CP. Therefore with CP selling the assets there is no track available for VIA.

VIA will discontinue its Atlantic train over the CP route on December 17 and will increase train frequency to six round trips per week over the ocean route. VIA has done a first rate job in arranging for bus service between Saint John and Moncton to connect VIA passengers with the ocean service. This is the most economical way to provide connections within the VIA network.

In addition, the interline ticketing and tariff agreement VIA has made with SMT will provide for ease of ticketing and baggage handling. SMT will also be modifying schedules on its Fredericton to Newcastle route, providing a direct connection at Newcastle to the ocean for passengers from Fredericton.

It is evident that a connecting bus service is the less costly option by far. The annual cost of a dayliner service would be in the order of $1.2 million per year. The bus service is much less than that by half.

We have been asked why VIA's newly constructed station in Saint John will no longer be used. Perhaps the member should ask her former Conservative government. When the station was constructed CP was already negotiating the sale of the entire Sherbrooke to Saint John line. The member might want to respond on why her colleagues spent the money on the basis of speculation.

The commitment of Minister of Transport to Saint John and New Brunswick is unquestionable. His actions with respect to the CAA at Saint John, his action with respect to the port of Saint John and with respect to highways in Saint John and New Brunswick are sure testimony of the minister's commitment to good transportation systems in Saint John and New Brunswick.

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, exactly eight days ago, I asked the Minister of Human Resources Development when he would table the five missing technical papers that were to clarify, if possible, the direction that his plan to reform social programs would take.

At that time, the minister answered that he thought the remaining documents would be made public in ten days. I want to tell the minister that he has only two days left to keep his promise, but that is not the main purpose of my statement today.

On this point, I first want to speak out against how the minister is proceeding. In a few days, the Standing Committee on Human Resources Development will complete a Canada–wide tour of consultations in which thousands of citizens will have participated. What a mockery has been made of the consultation process!

An incredible amount of energy has been mobilized but the people whom they said they wanted to consult were not provided with the proper information. They were consulted on an indefinite subject, but I suspect that the chosen direction has already been decided and they are being very careful to keep it from the public. All this remains to be confirmed, of course, but the confirmation should come soon.

• (1955)

In the House, on December 5, I also asked the minister to confirm that he had in fact gone blindly into a reform guided only by the cuts imposed by the finance minister. Instead of answering my question, the minister replied that I was completely ignorant, and said: "A large–scale national survey showed that 96 per cent of Canadians believe major changes have to be made in social policy. It may be that the hon. member does not understand but 96 per cent of Canadians are in favour of what we are doing".

The minister was quite right. I do not understand, but not necessarily what he thinks I do not understand. I cannot understand how a minister can interpret in such a shameful demagogic way the results of a poll. Here are the facts. The Decima poll, to which the minister was referring, revealed that 96 per cent of Canadians feel that the time has come to reform social security programs. Some 53 per cent support major changes, while 26 per cent are in favour of a comprehensive reform.

How can the minister distort the facts in such a way and accuse me of not understanding anything? This is a mystery which, I am sure, only the minister can penetrate.

Let me repeat again the results of that poll, just to make sure the minister understands: 96 per cent of Canadians feel that a reform of social programs is necessary. This is not at all the same as saying that 96 per cent of Canadians support the government's approach, far from it!

I also want to tell the minister something he surely knows already: Canadians do not agree at all with the proposal, as introduced by the government. The same poll indicated that 19 per cent of Quebecers strongly supported the idea of a two–tiered UI system, while 56 per cent somewhat agreed with it. This is a far cry from the 96 per cent degree of support of Quebecers that the minister claims.

Finally, I want to take this opportunity to remind the minister that women's groups, including the National Action Committee on the Status of Women, which alone represents over 80 groups, condemn the proposed changes to the UI system, because they feel these changes are discriminatory. Would the Minister of Human Resources Development go so far as to claim that all these women did not understand anything either?

[*English*]

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, as of today the government has released four background papers: "Income Security for Children", "Persons with Disabilities","Child Care and Development " and "From Unemployment Insurance to Employment Insurance". The remaining four papers will be released in the next few days. I can assure the member there is still time for public debate and for the standing committee to analyse these papers as it prepares its final report early in the new year.

Social security reform is an ongoing process. We will continue to make information available to the public throughout the process. Let me emphasize again that our programs are outdated, costly, and no longer meet the needs of today's labour market.

As recent polls have shown, the Canadian people believe there are problems with our social programs and that changes are required: 96 per cent of the people believe there are at least some problems with social programs requiring either minor changes, 17 per cent; major changes, 53 per cent; or a complete overhaul, 26 per cent. Slightly fewer Canadians, 89 per cent, believe the UI system should be changed. The majority, 55 per cent, believe change is required because the system is antiquated, while one–third believe the expense associated with the program is the main reason the UI system should be changed. There is overwhelming support, 80 per cent, for our two–tier system of UI.

I am convinced the government has the support of the Canadian people as we work to reform an antiquated social security system. The release of the remaining technical papers in the next few days will further inform and allow us to make the important decisions required to ensure the survival of Canada's social security system.

[*Translation*]

CANADA LABOUR CODE

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, I rise to speak about the anti–scab bill and the minister's commitment to table such legislation, which was supposed to be done some time in December.

In March 1994, in my riding near Sept–Îles, at the QNS & L Company, 300 employees were in a legal strike position and were locked out. The strike or labour dispute was to go on for three months. As soon as the dispute started, the employer rushed to hire scabs.

• (2000)

So, as you can imagine, this led to violence and did not creative a climate conducive to bargaining with respect and dignity by the workers and the employer. The emphasis was on confrontation throughout the process, and there was no attempt to reach an agreement because scabs had been hired.

Last week, I travelled to Decatur, Illinois, with Ogilvie Mills workers belonging to the CSN, who joined fellow workers who are also on strike, sympathized a little, and tried to meet the head of the business in Decatur, where Ogilvie has its headquarters. To all intents and purposes, I have never seen anything like Decatur in my life, although I have witnessed many labour disputes. I was involved in the union movement for a while before being elected to the House of Commons, so I knew what to expect, but it was the first time I saw anything like that. Decatur could be called Dictature City or Scab City, as the people over there call it. It is the same thing.

If you want to work, all you have to do is show up at Decatur. ADM owners hire, on the spot, workers they then send to one of the many places where there is a labour dispute, to work as scabs, because at Decatur, it is normal to work as a scab. So, this creates a climate of incredible violence. Bargaining is the establishment of a power relationship between two groups and in turn, this power relationship creates respect, which ensures that everything will be done in a dignified manner. Then, once this is established, you can talk about a clean, decent labour contract. But as long as there is no anti–scab legislation in place, this cannot be achieved.

In front of the Ogilvie Mills workers here on Parliament Hill on September 19, the minister promised to amend the Canada Labour Code to ban strike–breaking. He was to bring in a bill making the required changes to the code. This sounded rather interesting. But more recently, on December 4 to be exact, the minister backed away, claiming that his department was preparing another bill, a bill on pay equity, which really has nothing to do with anti–scab legislation.

So, based on that, I wonder, and I repeat the question I asked earlier: how can the minister justify his about–face on the need to incorporate anti–scab amendments into the Canada Labour Code? How does he explain this about–face, as I asked him before, except as an act of obvious lack of political courage?

[*English*]

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, part I of the Canada Labour Code establishes the framework for industrial relations and regulates the conduct of collective bargaining in the federal private sector.

This jurisdiction covers the operations of enterprises which fall within the definition of federal work, undertaking or business and includes interprovincial and international rail, road and pipeline transportation, air transportation, shipping, longshoring, grain handling, telecommunications, broadcasting, banking and certain crown corporations.

As the Minister of Human Resources Development indicated on December 5 in responding to an inquiry raised by the hon. member for Manicouagan, part I of the Canada Labour Code, including the issue of replacement workers, is currently being reviewed with the view to modernizing and improving it so that it can better reflect today's realities. Creating a legislative framework which is free of barriers to co–operative labour management relationships also supports the initiative of the Minister of Industry in building a more innovative economy.

The minister has asked a senior assistant deputy minister to undertake the review process. This involves a consultative process with business, labour unions and other affected parties to seek their views. The views expressed during the consultative process will be carefully considered prior to introducing amendments to part I of the Canada Labour Code.

• (2005)

The hon. member for Manicouagan also made reference to a dispute involving Archer Daniels Midland Company, formerly Ogilvie Flour Mills, and the Syndicat national des employés des Minoteries Ogilvie Ltée.

The company and the union are currently negotiating the renewal of their collective agreement which expired on January 31, 1992, and which covers approximately 150 flour mill employees. When the parties were to conclude an agreement with the assistance of a conciliation officer appointed by the minister they were placed in a strike–lockout position. The union membership began a strike on June 6, 1994, following the rejection of a company offer on the previous day.

A federal mediator met with the parties in July and October of 1994 but little progress was made. Meanwhile the union filed a request with the minister for consent to file a complaint with the Canada Labour Relations Board alleging that the company had failed to bargain in good faith.

Ministerial consent was granted and the CLRB held a hearing on November 4, 1994, at which time the parties agreed to resume mediation meetings in an effort to settle their differences. The mediator met with the parties November 30 and December 1 and talks resumed today, December 13, 1994.

A federal mediator resumed meetings with the parties today and mediation talks are scheduled to continue December 14 and 15. It is encouraging that the parties are continuing to meet and I am advised some progress is being made. Both sides have been urged to take advantage of this opportunity to arrive at a settlement of their long and difficult dispute.

CANADIAN WHEAT BOARD

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, pursuant to Standing Order 37(3) I rise to get a more detailed answer to questions I raised on December 5 and 6.

As a person who is concerned about the future of the Canadian Wheat Board I feel it is imperative to point out some of the activities of its government appointed commissioners during the advisory committee elections. I believe these activities point out problems with the board which could, if not immediately dealt with, lead to its demise over the next few years.

The real threat to the Canadian Wheat Board is not from outside but rather from within and result from its lack of accountability and its lack of willingness to change. The main issue to be dealt with is the complete lack of accountability of these appointed commissioners to western Canadian farmers.

This is a concern I have heard from farmers over the past several years. After all, farmers pay all of the operating costs of the Canadian Wheat Board out of their pockets. Why does it seem too much to ask for the commissioners that run the board to be directly accountable to farmers? The only way to ensure that the board of directors is accountable to farmers is by allowing farmers to elect them. There is no other way.

On Monday, December 5, I asked the minister of agriculture about the results of the Canadian Wheat Board advisory committee elections. I mentioned it was no surprise that less than 40 per cent of farmers eligible to vote turned out to elect these largely symbolic positions.

What was a surprise, however, was that leading up to the election, Lorne Hehn, the chief commissioner campaigned for a group of candidates that had a specific political agenda. In addition Richard Klassen wrote an "open letter to prairie wheat and barley growers". Their articles appeared in the *Western Producer*, *Grainews*, and many local papers.

Section 17(4) of the Canadian Wheat Board Act strictly prohibits these actions. It states: "It is the duty of the board to exercise direction and supervision over the administrative conduct of an election of members of the advisory committee". Therefore, the role of commissioners parallels that of Elections Canada in a federal election.

By promoting the point of view of one group of candidates the commissioners, I believe, violated the Wheat Board Act and the trust given to the people who hold these positions. On this basis I asked for the resignation of those who knowingly violated politically neutral positions.

In his response the agriculture minister said he would not ask for their resignations because he had no proof to justify these allegations. He also stated it was not unusual for a chief commissioner, from time to time, to defend the policies and practices of the wheat board.

The proof can be found in the chief commissioner's words and in the words of other commissioners. Not only did the chief commissioner openly offer his opinion in the November 17 issue of the *Western Producer* but he also stated that during the board's 60–year history it is entirely unusual for commissioners to defend the actions of the board.

• (2010)

Hehn states: "The events of recent weeks compel me to violate the long tradition of silence on controversial grain policy issues. I do so at the risk of being accused of meddling". Therefore, Mr. Hehn knowingly violated section 17(4) of the Canadian Wheat Board Act. This is a very serious offence and I am sure the chief commissioner was aware of the consequences.

Clearly, the politically neutral stance of the wheat board was violated by the chief commissioner and other commissioners. It is also clear that the actions of these individuals should be reviewed. Furthermore, it is clear to everyone that farmers must review and make decisions about how their marketing agency should be run.

I have three specific questions for the minister. With this evidence before him, will the minister acknowledge that the commissioners have violated the Canadian Wheat Board Act and the trust given to them? Will the minister ask for the resignation of all commissioners who campaigned during the period leading up to the advisory committee elections? Will the minister replace those political appointed commissioners with an elected board of directors? If yes, when? If not, why on earth not?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, I would like to point out that section 17(4) of the Canadian Wheat Board Act referred to by the member for Vegreville addresses the administrative requirements for an election of a Canadian Wheat Board advisory committee.

The recent speeches and articles by the Canadian Wheat Board commissioners are a response to producer requests for more information on the board and how it markets wheat and barley on behalf of the producers.

The Canadian Wheat Board commissioners did not campaign on behalf of any candidates. They were responding to those producers who want more information. It is only logical that the wheat board commissioners who are charged with the responsibility of marketing wheat and barley on behalf of the western Canadian producers would be in the best position to describe how they are fulfilling their responsibilities.

As the hon. member well knows, the debate on the issue of grain marketing has been ongoing. It was not initiated with the particular Canadian Wheat Board advisory committee election and it will not end with this election.

As we have stated on numerous occasions, producers need the opportunity to discuss the grain marketing issue in a logical, structured form with all the facts available to them. The producers will be provided with a forum to discuss and debate the issue over the coming months.

Any decision on how we market grains and oilseeds should be made in the context of where we want our grain industry to be in five to ten years from now. As a result, the federal government has initiated discussions with the industry to develop a longer term vision.

BANKS

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, when inflation is high in Canada, bank profits are high. When inflation is low in Canada, bank profits are high. When the economy is in recession, bank profits are high. When the economy is in a growth mode, bank profits are high. When interest rates are high in this country, bank profits are high. When interest rates are low, bank profits are high. They are high in every circumstance when it comes to economic indicators.

The fact is that bank profits continue to be high in this country. In view of the fact that the chartered banks donated to the Liberal Party over $700,000 to the last campaign in Canada and the financial institutions as a whole donated over a million dollars to the Liberal Party slush fund in the last campaign, I am curious to know why the banks continue to get a free ride when it comes to contributing their fair share to building Canada.

In the last year alone the six major chartered banks in Canada reported profits of $4.3 billion. The chartered banks have an important role in our country's economy due largely to the regulations that are in place under the Bank Act. With the privilege of banking should come the responsibility of assisting in the development of our economy.

The Minister of Finance agrees that Canada's deficit is a serious problem. He, in consultation with the Minister of Human Resources Development, has made it clear that they will be making cuts and reductions to Canada's social security programs. Many Canadians have experienced the hardship of the recession and also faced cutbacks to their unemployment insurance coverage.

The Minister of Finance has made it clear that we will all be tightening our belts to help pay down Canada's debt. Meanwhile we have the banks in Canada that have made huge profits during hard economic times. They have made their profits on the backs of Canadians. It is money that is made on the spread of interest rates, financial transactions and on the government debt.

Another reason is bank service charges. Service charges are one of the fastest growth areas for banks. They allow the banks to continue making money in hard times and in good times.

I believe the government should ask the banks to justify their banking practices and their actions. As responsible corporate citizens the banks have a moral responsibility to pay their fair share of taxes and to reinvest their wealth in Canada and create jobs.

The Minister of Finance has a responsibility to regulate the banks and ensure that they participate in our country's economic recovery.

Bank customers receive interest rates of 2 per cent or 3 per cent on their savings accounts while being charged up to 11 per cent on their loans. The interest rate spread is wide and the banks are the winners on the spread.

After 127 years of Liberal and Conservative governments in Canada we are approaching $550 billion in debt. There has been no job creation as a result of this latest bank manoeuvre. The banks have made profit by cutting back on staff as a matter of fact. A year go the Royal Bank announced the need to slash 3,000 jobs from its payroll as well as another 1,100 jobs from its newly acquired Royal Trust, because of the recession its said.

Is the Royal Bank now willing to create 4,000 new jobs or is it going to continue to make profit at the expense of its former employees? The answer to that is not likely.

The Royal Bank in 1993 year end made profits of $324 million and paid absolutely no taxes. As a matter of fact, it received from the federal government and the revenue department $5 million in tax credits.

Two years ago the CIBC announced cutbacks of 2,500 jobs. In fact, 14,000 banking jobs have been eliminated in the past four years. Banks reasoned that cutbacks were necessary but now we see their profit margins. The banks lost money on bad real estate loans primarily over ambitious commercial projects in foreign countries. As well, they have lost money loaning money to other countries without providing the same equity backup and guarantees that individuals in Canada must provide.

I am asking in summary that the government provide leadership on this issue and ensure that the banks make a stronger contribution by paying their fair share of taxes back to this country and to institute a fair interest rate policy and to justify some of their monopolistic practices so that Canadians do benefit from banks when they make a profit.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, over the past few weeks six major banks have reported their profits for the year ending October 31, 1994. The six largest banks reported profits of over $4.2 billion, a 47 per cent increase over last year. This has prompted some

observers to ask whether the banks are paying their fair share of tax.

Banks do pay considerable amounts of tax. Banks pay income taxes and are subject to two federal capital taxes, the large corporations tax which applies to all corporations with more than $10 million of capital, and the financial institutions capital tax. This latter tax is paid annually at an average rate of 1.25 per cent of capital. This tax is designed as a minimum tax for banks and other large financial institutions.

Over the past five years the six largest banks and their mortgage subsidiaries paid on average $850 million per year in federal income and capital taxes. In 1991 and 1992 they paid around $1 billion per year in federal income and capital taxes.

Banks also paid income, capital, property and other taxes to provincial and municipal governments.

The hon. member is no doubt aware that further measures were introduced in the 1994 budget to ensure that banks and other financial institutions continue to pay their fair share of tax. These changes will improve the measurement of income on securities and loans held as part of their ordinary course of business.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, 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.

(The House adjourned at 8.19 p.m.)

HOUSE OF COMMONS

Wednesday, December 14, 1994

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

VIA RAIL

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker,

'Twas the eve of Christmas recess,
And all through the House,
Not a member of the rat pack was stirring, not even a mouse.
The statements were chosen by the Speaker with care,
In hopes that all House members would be fair.
The MPs were nestled all snug in their seats,
In hopes of receiving some Christmas treats.
I rose from my chair to see what was near,
When, what to my wandering eyes should appear,
But the Minister of Transport with no VIA,
But eight tiny reindeer.
With a little driver, so young–like and slick,
I knew in a moment it must not be Saint Nick,
More rapid than a Challenger the cuts they came,
And he snorted and he stomped while shouting,
No train! No train!
But I heard the good people of Saint John exclaim,
Don't worry, Elsie, the PCers will return,
And we will have the VIA train once again.
Merry Christmas everyone.

* * *

CANADA

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, the holiday season is drawing near and I would like to extend to Canadians my very best wishes for a very happy holiday season.

[*Translation*]

Next year might bring the separation of Quebec, and this is why I would like to take this opportunity to tell Quebecers that Canada is a great country and that their presence in Confederation is extremely important because of the cultural dimension Quebec brings, and especially because of what the Quebec people mean to Canada.

I hope that next year will bring the welcome news that Canada will remain united and that this unity will not be challenged again.

[*English*]

Canada must remain united. Anglophones, francophones and allophones must all work together in a harmonious country as Canadians. We cannot erase years of history and camaraderie between provinces. Canada must keep its state of Confederation with its ten provinces and two territories. Our strength is in unity, not in separation.

Today we are also celebrating the 30th anniversary of the Canadian flag. May it continue to be our symbol of unity and harmony.

[*Translation*]

Happy New Year to all.

* * *

THE ECONOMY

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, after 10 successive weekly increases, the central bank rate set by the Bank of Canada went up 71 basis points yesterday. With this decision, the Bank of Canada will slow consumption and investment, and will paralyze the housing market, a sector crucial for the creation of jobs, especially at a time when the reduction of unemployment is a major concern of Canadians and Quebecers.

Unfortunately the employment crisis is not a priority in Ottawa. The government does not have the courage to seriously tackle government spending in order to reduce the deficit and the debt which are responsible for these pressures on interest rates. There is no job creation policy and the Bank of Canada is allowed to maintain an anti–inflationary monetary policy which undermines the economic recovery.

Meanwhile interest rates are going up and the unemployed remain without jobs.

* * *

[*English*]

SAINT–JEAN MILITARY COLLEGE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, a couple of months ago I watched in amazement as the government caved in to pressure from the Bloc and Parti Quebecois when it agreed to pay $34 million to Quebec for the 1993 referendum. The decision was based almost solely on the word of the most distrusted Prime Minister in Canadian history.

For the past month I have been even more amazed as the Bloc and its PQ allies try to force the renegotiation of a signed deal on the military college at Saint–Jean. This is not some vague verbal guarantee from a former politician; it is a signed agree-

ment. The Bloc and PQ are being totally hypocritical in their demand. The government must not acquiesce to this absurd request.

The government has finally agreed to Reform's request that British Columbia be treated equally as regards Royal Roads. Let us hope that we have now seen the end of this charade.

* * *

CABLE RATES

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, as consumers many Canadians believe that their home cable rates are set by the CRTC.

Due to the complexities of the cable companies' sales vocabulary, the truth is that basic cable rates are controlled but that extended cable rates float at whatever the local supplier demands. Certainly I am not opposed to open market pricing if the market is truly open.

Let me invite all present or who are watching today to call their local cable companies to request the basic cable service as defined by the CRTC and not extended cable service as defined by their local cable companies. Next, try to find another cable carrier in your neighbourhood to give a competing bid.

After you have realized that the marketplace limits that type of competition, get out your chequebook because you are about to pay for six new channels that have been authorized by the CRTC. This is an open market with no choice. Pay up or look for the rabbit ears.

* * *

AIR INDIA FLIGHT 182

Ms. Colleen Beaumier (Brampton, Lib.): Mr. Speaker, during this Christmas season my thoughts are with the families and friends of those who perished in the tragic bombing of the Air India flight 182 on June 23, 1985.

This will be the 10th Christmas since that tragic day on which 329 passengers and crew lost their lives as a result of the bomb blast aboard the airliner just 120 miles west of Ireland. Although some arrests have been made, this terrible crime remains shrouded in mystery.

As the families and loved ones of those who perished aboard Air India flight 182 face their 10th Christmas since this tragedy, I ask all members to join with me in expressing our deep sorrow at their loss which continues today.

Christmas is a time when we are sharing love. We should make them feel warm.

FORMER YUGOSLAV REPUBLIC

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the former Yugoslav republic, FYROM, in Skopje seeks international recognition as the republic of Macedonia.

Only thirteen states, seven from the former Soviet Union and east Europe and three Asian communist states have recognized the Skopje republic as that. Twenty–six other states have recognized Skopje only as FYROM and another twenty–two have recognized Skopje as FYROM but without diplomatic relations. The remaining 124 members of the United Nations including Canada have not recognized Skopje in any form or opened diplomatic relations.

• (1405)

Canada's position is in full accord with the international law on recognition.

* * *

[*Translation*]

PEARSON INTERNATIONAL AIRPORT

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, the former ruling party, which is left with only two members in this House and 53 senators, has managed to make the government backtrack on the issue of the Pearson airport privatization cancellation. Both parties, which have mutual friends working for the Pearson Development Corporation, agreed to let the consortium sue for up to $80 million in possible compensation.

But worse still, we did not get to the bottom of this scandal and taxpayers will never know why the government is getting ready to squeeze all this money out of them for the benefit of its cronies. In view of the vast amount of public funds wasted in this ugly mess, the government must get to the bottom of it and set up a royal commission of inquiry to examine all the aspects of the deal which are still unclear.

The way this government is handling this issue reveals quite clearly the strange kind of ethics which can be found in both the Liberal Party and the cabinet.

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[*English*]

GOVERNOR GENERAL APPOINTMENTS

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am pleased to rise today to present my first instalment of the Liberals copy Reform awards.

Just when we thought the only two types of Liberals in Ottawa were the appointed and the disappointed, the hon. member for Durham restored our faith in the political process. In a letter to

the Ottawa *Citizen* the member supported Reform common sense policies when he proposed two solutions for Governor General appointments.

Remember our leader was booed in the House when he suggested this very idea. The first was to submit a list of names to the House of Commons to allow all Canadians through their MPs to have a voice in the selection. The second solution was a vote by all people of Canada in a general election.

It gives all Reformers a feeling of great pride when we hear Liberals choosing to quote the PM from Calgary Southwest and not the PM of Canada.

* * *

RACISM

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, racism breeds intolerance in society. One would think educational institutions in our multicultural society would be the last place where racism would exist. This is not the case.

Three weeks ago Mahendra Gupta, a teacher at Toronto's Humberside Collegiate, was deliberately pushed down a flight of stairs at the school. He was later found unconscious at the bottom of a concrete stairwell.

It was a cold and calculated attack. School officials were aware of racist correspondence sent to five non–white teachers but chose not to inform students and staff.

Racism still permeates the Toronto school board. According to Rick Kollins, a Toronto board superintendent, the attack was "not a good news story but a sign of moving in the right direction".

Years of inaction and window dressing by the Toronto school board have resulted in a teacher being racially attacked and the attack is perceived as a positive development by senior officials. It is not.

* * *

STRATFORD FESTIVAL

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I congratulate the Stratford Festival, Canada's national English language theatre, on the conclusion of its 1994 season. All 10 plays enjoyed outstanding critical reviews and for the first time since 1990 the season was a financial success.

The festival realized in excess of $17 million in box office receipts, $3.5 million through fund raising and received only $900,000 in federal grants. In return, the theatre generates $150 million worth of business in the community and generates $25 million in taxes.

I wish all those associated with the Stratford Festival another successful season. I encourage all members of the House to join with us in 1995 when, in the words of the festival's artistic director Richard Monette, the Stratford adventure continues.

* * *

PORT OF VANCOUVER

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, I stand to recognize a jewel in the crown of western Canada, situated in part in my riding: the port of Vancouver.

Vancouver stands as the gateway to the Asia–Pacific. The port of Vancouver is the guardian of that gateway, serving the western regions as a point of entry and departure of all goods to the Pacific.

The port of Vancouver is the largest port on the west coast of North America. Its annual throughput is approximately 70 million tonnes.

As a fully self–supporting crown corporation the port serves all of B.C. and western Canada. It supports 9,000 jobs in the lower mainland as well as another 62,000 employees from the rest of Canada who produce, transport and process the goods that move through the port. The port's cargoes exceed $38 billion annually.

• (1410)

As the sleeping tiger of Asia awakens, the port of Vancouver has the unique opportunity to become the hub of trade for the northwest. The U.S. ports of Oregon and Seattle vie for the prize. Perhaps all western Canadian provinces should claim ownership and mould it to become the Pacific jewel that it can be.

* * *

VENTURE CAPITAL

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, our government must be committed to assisting innovative small and medium sized enterprises. An industry which may help us to meet our objectives is the venture capital industry which searches out businesses that are young, innovative and operating in a growth market.

The FBDB recently concluded a baseline survey of 259 companies which secured venture capital financing. Despite the effects of the recent recession these venture backed companies still increased the number of people they employed at an annual compounded rate of 40 per cent.

The global economy is becoming increasingly specialized. High tech firms once considered the wave of the future are here today. In order that Canada not be left behind it is essential that the government assist in creating a positive environment for the venture capital industry to support small and medium sized businesses which will have a positive impact on our economy as a whole. The venture capital investment industry is an important

means by which we can support young companies while ensuring that Canada remains competitive in the global market.

Clearly the venture capital industry provides a great potential. As our government is committed to rejuvenating the economy this is one vehicle that should lead the way.

* * *

[*Translation*]

ROGERS CABLE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, yesterday, the Minister of Canadian Heritage gave us another demonstration of his now infamous lack of courage. Following the decision by Rogers Cable to change access to its French–language channels TV5 and Météo Média, and to cancel Musique Plus, as of tomorrow, the minister avoided his responsibilities.

Obviously, the heritage minister understood nothing yesterday, neither the question he was asked, nor what is at stake. Francophones in several regions are outraged by Rogers' decision. These channels are an important part of their cultural environment, especially among young people.

We hope that the Pontius Pilate of cable television and francophones outside Quebec will emerge from his torpor and take action so that Rogers and all the other cable television companies do not reduce their services in French.

* * *

[*English*]

PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, Bill C–22, a bill denying the rights of Canadians to due process before the courts, is coming back again. This time it is the Liberals in the other place who are trying to find an eleventh hour solution to the mess which the Liberals in the House now find themselves in.

Our Liberals are in trouble due to their insistence on using the Pearson airport as a smoke screen to hide the real issue: the rule of law. They are trying to rewrite the rules of this land to suit their own purposes. This is a precedent we cannot allow to occur. If it does, what can we expect next? Expropriations without compensation, a change in the basic concept of innocent until proven guilty?

The government needs a conscience. This is often portrayed as a small person sitting on a shoulder. In the case of the Liberals their conscience is sitting on this side of the House.

I offered the Minister of Transport a solution to this mess back in October but he did not even respond to it.

The Reform Party has been consistent on the issue. It is nice to see the Liberals finally agreeing not only with us, but the respected legal opinions throughout this country.

* * *

RURAL POST OFFICES

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I rise today to ask the government to maintain its presence in rural Canada through the operation and ownership of federal buildings in these small communities.

In my own constituency at least three communities, the town of Wilke, the town of St. Walberg and the village of Loon Lake, have federal buildings on their main streets that currently house the post office. On several occasions over the last four years these buildings have been offered for sale by the department of public works but no buyers have been found.

It appears that the federal government wishes to jeopardize postal services in these small communities by selling off the buildings that house those post offices giving Canada Post the opportunity to relocate into retail franchises.

The public works department and Canada Post have the same minister. I call on him to support rural Canada.

* * *

VIOLENCE AGAINST WOMEN

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, the government is committed to the elimination of all forms of violence in our society.

• (1415)

In particular, members on this side of the House are truly concerned about the incidence of violence against women which has often been dismissed as unsubstantiated and exaggerated.

The recent ruling of the Supreme Court of Canada admitting drunkenness as an allowable defence for a man accused of sexually assaulting a 65–year old woman is an indication of the insensitivity that currently exists in the country.

Furthermore, as recently as last week in reference to the incidence of male violence against women the member for Lisgar—Marquette stated they were always taught at home as kids that when they went to get the cattle out of the pasture not to wear red because it would infuriate the bull in the pasture.

I fail to see the connection between violence against women and the herding techniques of the Reform Party member opposite.

It is my hope we will all work toward eliminating this type of insensitivity in our society.

[*Translation*]

CANADIAN FLAG

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, 30 years ago tomorrow, members of the House of Commons adopted the Canadian flag.

[*English*]

The final date of debate was December 14, 1964 and the final vote was held on December 15.

[*Translation*]

Her Majesty the Queen gave royal assent in February 1965.

[*English*]

On this historic day I recite my pledge of allegiance to the Canadian flag as authored by Alexandre Cyr: "To my flag and to the country it represents I pledge respect and loyalty".

[*Translation*]

Wave with pride, From sea to sea, And within your folds, Keep us ever united. God keep our flag. God protect our Canada.

I am proud to be Canadian. Long live a united Canada.

[*English*]

Long live a united Canada.

Some hon. members: Hear, hear.

The Speaker: I would hope that as much as possible we would abstain from using any props. One usually goes with the other, but I would be hard pressed in any way to say that we should not be proud of our flag.

ORAL QUESTION PERIOD

[*Translation*]

THE ECONOMY

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, for the past 14 months the Minister of Finance has promised he will reduce the deficit. We are still waiting.

Disappointed by his failure to act, the financial community and investors are becoming increasingly concerned about the government's failure to reduce the deficit. In fact, in a situation where we can expect the U.S. economy to start overheating, failure to reduce the deficit will always cause interest rates to rise in Canada.

Will the Minister of Finance admit that his weak-kneed approach to fighting the deficit and the miscalculations in his own budget plan are increasing concern in the financial community and among foreign investors, and that his failure to act is largely responsible for the rise in interest rates in this country?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I am certainly prepared to admit that this year, we will reach our goals as far as the deficit is concerned, the first time in ten years the federal government has done so.

Some hon. members: Hear, hear.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the minister is a deficit expert. Everybody knows that. We all know the figures.

Some hon. members: Hear, hear.

Mr. Gauthier: Would the minister agree that scepticism in the financial community has increased considerably since Liberal members announced that the government would probably be unable to reach its goal of 3 per cent of GDP, which they feel justifies a general tax increase, ostensibly temporary, a proposal the Minister of Finance is still considering?

• (1420)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, if there is any scepticism on the financial markets about a government that refuses to deal with its problems, it most certainly concerns the provincial government in Quebec, the PQ, the Bloc Quebecois headquarters. Ever since they came to power, they have refused to admit that they have a financial problem and that both levels of government will have to work together to deal with that problem.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I cannot believe what we just heard. For the past 14 months, the Minister of Finance has been talking about the Government of Quebec. With a $40 billion deficit, rising interest rates and his policies that have been a complete failure, he talks to us about the Government of Quebec. I cannot believe it.

Some hon. members: Hear, hear.

An hon. member: Wake up.

Mr. Gauthier: Mr. Speaker, look at them carrying on. And they talk about the Government of Quebec.

The Speaker: Wonderful Wednesday. The hon. member will please put his carefully wrought question.

Mr. Gauthier: Thank you, Mr. Speaker, for this advance appreciation of my question. Would the Minister of Finance admit that by merely coasting along on our economic recovery instead of stimulating job creation as he should have done, he has heightened the lack of confidence in the financial community which no longer believes his promises to reduce the deficit?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, in the last quarter, we experienced 4.6 per cent growth, and in the quarter before that, 6.4 per cent. This year, 400,000 jobs were created. Last month, 95,000 jobs were created in Canada, a record for this country. Congratulations to my colleagues.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, I would remind the Minister of Finance that one month after he tabled his first budget, Canada's rating was downgraded, while, so far, Goldman Sachs and Moody's say that Quebec's credit rating will be maintained.

Some hon. members: There.

Mr. Loubier: The Minister of Finance continues to ignore the proposals and recommendations made by various stakeholders, including the official opposition, to reduce the deficit. His inaction has earned him very poor marks in the eyes of the financial community as this session ends.

Will the Minister of Finance not recognize that before contemplating further tax increases, he should make it a priority to recover the bulk of the $6.6 billion in unpaid taxes owed to the federal treasury?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the hon. member for Roberval asked us to make cuts. Now, I will ask the Bloc Quebecois finance critic for the fifteenth time, where does the Bloc suggest that we cut? We have yet to receive a single note or suggestion. Really! Family trusts? I am waiting for the finance committee report. I think that you submitted your opposition yesterday. But where, where really, should we cut? Make suggestions. Be constructive.

As for Goldman Sachs, the firm has made a favourable report because its people have said that the people of Quebec were obviously going to vote to remain within a united Canada.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, we did submit proposals to the minister. As a matter of fact, when will he admit that, had he put a stop to unjustified tax shelters as we suggested, collected outstanding tax accounts as we suggested, stimulated employment as we suggested, in a word, had he taken aggressive action to cut spending over the past year—a year wasted—he would not now be facing a credibility gap, this confidence crisis, and an upward swing in interest rates that will affect everyone in Canada.

• (1425)

[*English*]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we are now enjoying the highest economic growth of any of the G–7 countries. We are enjoying the highest economic growth of almost any of the OECD countries. We are creating jobs. We are reinvesting in the economy. We have the best productivity record of almost any of the industrial countries. Our exports are up. I have been told about 10 times that our exports are up.

Let it be very clear that this has been a very good year for the Canadian economy.

Interest rates are up. They are up because of inflation in the United States. They are up for a number of reasons. The single most important reason for the increase in interest rates this week is the international financial community has said that one of the major provinces of the country, Quebec, refuses to face up to its deficit problems.

I call upon it to do its job.

* * *

TAXATION

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Bank of Canada rate rose three quarters of a per cent yesterday to over 7 per cent, driving up consumer loan rates. Since April the interest rate increases have added about $200 a month to payments on a mortgage of $100,000.

As the finance minister knows, our national house is mortgaged to the tune of $542 billion, on which we make payments of approximately $3.3 billion a month in interest alone.

Could the minister tell us what impact these interest rate increases over the past year are having on the national mortgage? Could he give us a precise dollar figure on how much these interest rate increases are costing the federal treasury since the government took office?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is a matter of public record and was set out in the House of Commons finance committee. Each one per cent increase in interest rates costs the nation $1.7 billion on an annual basis.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, when the average Canadian is faced with a $200 a month increase in mortgage payments, he or she has only one real option and that is to cut spending in other areas of expenditure. When it comes to meeting increased mortgage payments on the national house we hear, to our dismay, that the ministry is now considering getting the money from tax increases on gasoline, on personal incomes and on corporate incomes.

Will the minister please tell us that these rumours are utterly unfounded, that there is no truth to the fact, and that he has no intention of taking more money out of taxpayers' pockets in order to meet his increased mortgage payments?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I have responded to this question on numerous occasions by simply saying that the government will make its position known in the budget. We are in the consultation process. We are waiting for constructive suggestions from Canadians and from the two opposition parties.

We are waiting for the Reform Party to complete its suggestions for areas in which we should make cuts. For instance, the person in the Reform Party who was concerned with social policy—that is an oxymoron—the member for Calgary North, said she would cut some $16 billion or $17 billion out of social policy spending.

We are waiting for the Reform Party to give us its constructive suggestions. We will make our position known in the budget.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the blunt truth of the matter is if the minister cuts spending the way he should, special interests in the country will squeal like stuck pigs. If he tries to fix the deficit with tax increases he will injure the economic interests and prospects of every man, woman and child in the country. He is going to take heat either way.

• (1430)

Why does he not take the political heat for doing the right thing rather than the wrong thing and declare that he will fight the deficit only through spending reductions? Why do you not take the heat, through you, Mr. Speaker, for doing the right thing rather than the wrong thing?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): We are prepared to take the heat, through you, Mr. Speaker.

Some hon. members: Oh, oh.

Mr. Martin: (LaSalle—Émard): In fact we would much prefer to do it that way.

We understand the bulk of the actions that have to be taken must be taken on the spending side. We understand that Canadians have to live within their means and that they expect their governments to do the same. We are going to do that.

We also have had the benefit of a very well thought out report by the House of Commons finance committee in which members on all sides of the House participated. That is an important part of the consultation process. We intend to take that into account and we will give our answer when we bring down the budget.

* * *

[*Translation*]

COLLÈGE MILITAIRE ROYAL DE SAINT–JEAN

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

With just 10 days before Christmas, time is running out on the issue of the Royal Military College in Saint–Jean for the teachers, their families and the whole Saint–Jean community. All stakeholders have agreed to discuss the merits of the proposal from the mayor of Saint–Jean, which provides for the gradual conversion of the military college into a civilian educational institution. The only holdout is the Minister of Intergovernmental Affairs.

Can the minister promise today in this House to resume discussions on the basis of the proposal from the mayor of Saint–Jean, which provides for a three–year transition period?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I spoke to the mayor of Saint–Jean yesterday at lunchtime and it is clear that we can come to an agreement. The only obstacle is that the Parti Quebecois has not yet agreed on the basis of negotiations. I hope to be notified in the coming days. As soon as I am notified, we will resume negotiations.

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, Quebec's Minister of Intergovernmental Affairs acceded yesterday to the minister's objective of demilitarizing the college. As the minister said to us yesterday, let us stop fooling around.

Will the minister, in the interest of the Saint–Jean community, resume negotiations on the basis of the proposal from the mayor of Saint–Jean, yes or no?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, we must indeed stop fooling around, so the Quebec minister, who says one thing on Monday and another thing on Tuesday, should confirm her position to me in writing before I can take action.

* * *

[*English*]

SECURITY INTELLIGENCE REVIEW COMMITTEE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it has been more than five days since the Solicitor General received SIRC's report on the Bristow affair. Despite the fact that SIRC insists that it wrote the report for

public consumption, the minister has withheld it not only from the public but from the members of the national security subcommittee.

Could the minister advise the House the nature of the problem that is causing the delay and provide us with a definite time for the release of the document?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, my objective is to have the material available to members of the House tomorrow.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, while I am delighted to learn that the report is finally being released, I would like to ask the minister about his response to a question yesterday when he responded that it was his responsibility to decide on the best way to release the report.

Does the minister believe that the best way to release the report is to delay its release so that he does not have to face scrutiny on the contents of the report until February?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I am surprised at the tone of my hon. friend's question.

● (1435)

I thought she would be delighted to learn that my objective is to have the material available for her and all members of the House tomorrow. I thought she would give me some applause for that. Again I am very surprised at her question.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Eastern Quebec's main social, community and labour organizations have asked the federal government to take seasonal workers into consideration, rather than let them down, in its social program reform. According to the minister's estimates, close to two thirds of unemployed people who would be considered frequent UI users are seasonal workers.

Will the minister recognize that, since seasonal workers represent close to two thirds of those whom he defines as frequent users, his project to implement a two–tier UI system would essentially target these workers?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, about two months ago I established a special working group to look at the way seasonal workers could be impacted by the various proposals.

The member knows that in the green book we do not just present one proposal; we present a variety of proposals about how we can change the unemployment insurance form.

The special working group has been going across the country. It has met with several hundred representatives of various working groups, union groups and business groups. I have met with its representatives and they are doing a very effective job of making a proper assessment of how we can be very considerate and very sensitive to the issue of seasonal workers.

Ten years ago only about 14 per cent of unemployment insurance funds were drawn down by those who were frequent users. Today it is over 40 per cent. It shows a very fundamental change in the way unemployment insurance is being used. It is time Canadians have the honesty and the responsibility for taking a look at those changes.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, does the minister recognize that regions which depend on industries such as forestry, fishing and tourism, such as eastern Quebec, will be the main victims of his reform and will become second class regions with second class jobless?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member uses words like victim and so on. It shows that he has not read the proposals.

One of the most serious issues facing Canadians is helping those who are affected by frequent unemployment or affected by long periods of unemployment to have better training, better support, better off season adjustment programs so they can get longer term employment.

The whole thrust of the green paper is employability. Get more work for longer periods for more people. That is the whole point of the reform.

By using that kind of provocative language all the member is doing is stirring up reaction as opposed to helping Canadians understand the kinds of choices they can make. I would suggest that he stop doing it.

* * *

BOSNIA

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the government is choosing inaction on Bosnia now, but while Parliament is in recess over Christmas what will it do?

While Reform accepts NATO's protective role for the UN, will the foreign affairs minister stick to his commitment of recalling Parliament for a full debate before Canada considers giving NATO permission to enter into the war in an expanded way?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I assure the hon. member that we do not intend to change the mandate of our troops in Bosnia.

Canada has accepted participation in the UN peacekeeping mission. That is the mandate our soldiers are fulfilling there. We know that under very difficult circumstances they are performing remarkable jobs, saving the lives of civilians affected by this war, helping humanitarian convoys to get through, and assisting in probably the most difficult UN peacekeeping mission ever under the responsibility of the United Nations.

• (1440)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I did not get an answer to my question.

It is interesting that in opposition the Liberal Party had lots to say about foreign affairs policy decisions being made without consulting Parliament. How can it change so dramatically by simply changing the side of the House that it is on?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I remind the hon. member that there have been three debates in the House of Commons on the subject.

I assure the hon. member that when the decision is taken to renew or to change our mandate we will again consult Parliament.

* * *

[*Translation*]

CUSTOMS BROKERS

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, my question is for the Minister of National Revenue.

To comply with the new regulation that takes effect on January 16, 145 of the 269 customs brokers who operate in Canada have applied to Reed Stenhouse, a Toronto company, for the surety bond required by Revenue Canada. As of today, 32 of these customs brokers have been denied bonds, in other words, they have been put out of business. Another twenty or so have yet to receive a reply.

Does the minister realize that this new policy of requiring customs brokers to obtain high surety bonds has already resulted in the loss of at least 250 jobs, and that the losses will be much more substantial if he persists on this course?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, in my view the figures provided by the hon. member are not accurate. Certainly his projections for the future are inaccurate.

Over the last four years there have been 15 failures of customs brokers leading to very substantial problems for their clients. Their clients of course are the ordinary importers of Canada.

The problem that arises under these circumstances is that the clients are liable for a second time for money they paid to the customs broker. It is vital that we deal with this problem. We must create a fair system of mutual insurance so that the client of the customs broker can be protected. This is what we are attempting to do.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, should the minister not demonstrate the most elementary common sense and reconsider this decision, if he wishes to see these businesses and the hundreds of jobs they represent survive?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I can certainly accept the representation of the hon. member to review it. It is not a policy which is yet finally determined. We are examining it at the present time and we will make a decision shortly.

I should point out that the concern I expressed in the House a moment or two ago is a very real one. We must make sure that the customs system in Canada does not result in some importers paying double the amount because of the failure of the agent that they employ as a customs broker.

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[*Translation*]

ROGERS CABLE

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Recently, it came to our attention that Rogers Cable television will no longer provide its suscribers with access to three French language channels.

What is the government's position on access to French language programming for all Canadians?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I thank my hon. colleague for his question. Canada's policy is to promote shows

and programs in both official languages, French and English, in the distribution and presentation of television programming.

Furthermore, I must say that cable operators are free to decide what they will distribute. The market rules, the market decides. Subscribers are free to contact their cable company to let it know how they feel about it. Also, they can always file a complaint with the CRTC.

* * *

• (1445)

[*English*]

VETERANS APPEAL BOARD

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the Liberal red book said that the Tory government "made a practice of choosing political friends" in making appointments. It went on to say that the Prime Minister would fill positions "on the basis of competence". My question is for the Secretary of State for Veterans Affairs.

Could the minister explain to the House the criteria for appointments to the Veterans Appeal Board?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, competence.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I could not hear the answer.

The answer did not include that several of the 1994 appointments to the Veterans Appeal Board have been long time friends of the Liberal Party, including failed Liberal candidates and former Liberal MPs including René Cousineau, Patricia Landers and Una MacLean Evans who supported the Prime Minister in his bid for the Liberal leadership race in 1990. The Liberal list goes on and on. The major criteria appear to be that one must be a Liberal to get these $86,000 a year plums.

My supplementary question is for the Prime Minister. When will the government live up to its red book promise and put an end to these blatant partisan patronage appointments?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have looked at the list of order in council appointments. We have made more than 650. I checked and I do not know more than 40 of them. I have not done very well regarding Liberals because I know only 40 of them.

The others I did not know but they were recommended and chosen. I hope that the day has not come in Canada where because some day one has the good fortune of offering one's services to serve Canada as a member of Parliament that one will disqualify oneself forever to serve on a board anywhere in the land.

[*Translation*]

NATIONAL TRANSPORTATION AGENCY

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, my question is for the Minister of Transport.

Several decisions by the National Transportation Agency allowing CN and CP to abandon lines in Quebec will be implemented in 1995. The Quebec economic development professionals' association is concerned about the devastating impact of these decisions on regional development in Quebec and urges the minister to review these decisions by the agency.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, we understand very well the concerns expressed by my hon. colleague. However, he certainly understands that a minister cannot easily bypass the decisions made by a quasi-judicial agency. That would not be acceptable.

In response to these concerns, we asked CN and CP, whenever the National Transportation Agency allows them to abandon rail lines, not to remove this infrastructure because we want to look for ways to maintain services in these regions. It is important not only in Quebec but across the country. We will try to maintain a moratorium on rail line removal until a national policy is in place.

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, does the minister not agree that he should review the National Transportation Agency's decisions on the basis not only of cost effectiveness but also of the impact of line abandonment on regional economic development? Should he not facilitate the takeover of some segments by local or regional organizations?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the question posed and even the suggestions contained in the remarks of my hon. colleague are very valid. I believe it is very important to make sure that we all understand the contribution that rail makes to regional development. The work of the Nault commission in looking at the commercialization of CN, the decision of the government to reject the unsolicited bid from CP, and our commitment to announce a national rail policy in 1995 reflects the kinds of concerns that were raised by the hon. member.

• (1450)

We will attempt to make sure that by encouraging CN and CP to leave the rail infrastructure in place, even though they have had the right to abandon it on the basis of a decision from the National Transportation Agency, it will help to address the concerns that were raised.

I expect that all members on both sides of the House will want to make a contribution to the exercise that is under way now,

being led by the member for Kenora—Rainy River, looking at the future of CN, particularly commercialization with employee participation.

* * *

AVIATION AND MARINE SAFETY

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, automated weather observation systems are being installed at airports across the country to replace human observers. This is the same technology that is being used with automated lighthouses. I would have no problem with this as a cost saving measure if the system worked, but it does not.

Why is the Minister of Transport prepared to jeopardize aviation and marine safety with unreliable technology that is being asked to do a job it was never designed for?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is not unusual for the hon. member to mix apples and oranges but the fact is that the destaffing of lighthouses is based on technology that has been used around the world. For example, in the United States of America there is one staffed lighthouse remaining and it is a historic site at Boston harbour.

With respect to the AWOS concern, which is a very legitimate concern, I reassure the member, members of the House, and the travelling public in general that Transport Canada has reacted to the concerns raised by the aviation community. We are making certain that services are adequate. We have to deal in the light of the fact that the Air Transportation Association of Canada, the Canadian Professional Airline Association, the airlines themselves, would never fly into airports where there was not an adequate level of safety available to them.

As important as the question is, I would not want to leave the impression raised by the hon. member's question that somehow there is an unsafe situation in the aviation industry in Canada.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, it happens that several airlines now refuse to fly into airports as alternates that use the AWOS system.

Transport Canada recently agreed to put human weather observers back into Dorval and Edmonton municipal airports. This causes one to wonder why the safety of Canadians using those airports are more important than the safety of those using one of the 48 other AWOS sites and those of the coastal marine and aviation users.

Will the minister agree to cancel destaffing of aviation weather observers and light stations until AWOS systems can be proven to work and are accepted by marine and aviation users?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the best measure is the support being provided by the aviation industry to the initiatives we are taking. I take exception to the hon. member's comment that some airlines are refusing to fly into specific areas where there are AWOS installations.

I hear the hon. member saying "speak to Canadian Airlines". The hon. member used to be an air traffic controller so we know the system is already working better because he is here.

The representative from Canadian Airlines who made the complaint about the AWOS happens to be a meteorologist. Again, we are trying to do the very best we can. I do not think it helps the situation in any way to suggest that the system in Canada is unsafe. We have the safest navigation system in the world.

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PUBLIC SERVICE OF CANADA

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, my question is for the Minister responsible for Public Service Renewal.

Almost daily there are rumours about thousands of cuts in the public service. These speculative reports leave the impression more of a demolition derby than a renewal of the public service.

What exactly is the minister doing to keep our government's commitments to improving moral in the public service, to treating the public service with respect, and to treating federal employees fairly? What is he doing for public service renewal?

• (1455)

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the hon. member and myself would agree that we had and we still have one of the finest public services in the world and that we have to maintain its quality in order for it to be able to perform well in the future.

The government has given a pledge that it would reduce involuntary layoffs to an absolute minimum and it will keep that pledge.

In the program review we are looking at all the programs to make government more efficient in order to cut costs. There is no doubt that government will have to be downsized. However in that process we are always keeping in mind that the public service has to be kept efficient and able to perform its job. It has to be kept in a spirit that will permit it to respond to the challenges that it faces. We will do that.

[*Translation*]

DEPARTMENT OF THE ENVIRONMENT

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, my question is for the Minister of the Environment. In his recent report, the Auditor General mentions that after spending $26.6 million, the federal government has still not solved an issue related to unproductive rent payments, this after 20 years. Those payments concern a Vancouver lot rented by the federal government, and more specifically by the Department of Environment, where an environmental centre was to be built. However, the project was abandoned in 1976.

Can the minister tell us what action plan her department has to solve this issue, since this useless lot costs taxpayers $4.4 million a year?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I am very glad that the member has asked this question because on taking over the ministry I made arrangements to inform the band that future payments after this fiscal year should cease and desist.

We have begun negotiations and in fact expect to conclude an agreement very shortly where in fact there will be no further federal payments made for this land. In a year we have solved the problem.

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GUN CONTROL

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, my question is for the Minister of Justice.

On November 29 he produced four orders in council concerning prohibited weapons. Two court decisions should require the minister to lay these orders before the House at least 30 sitting days before their effective date. His date of January 1 would not even be close.

Will the minister explain to the House why he has not complied with the law, section 116 of the Criminal Code?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the orders in council to which the hon. member refers were made not under section 116 of the code, which does indeed require the procedure he has described, but rather under section 84 of the code which does not.

Although there is a judicial decision of a trial court which holds that it is necessary even under section 84 to lay the regulations before the House, that decision is under appeal to the appellate division of the court in Alberta. We have every confidence that judgment was wrong in that respect and that we will succeed in the appeal.

INTEREST RATES

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Finance. It is with regard to the very unwelcome Christmas present that Canadians got with an increase in interest rates.

Increasing interest rates have affected, as the minister himself said today, charges on the debt and deficit. They influence consumer confidence, farmers and small business. The government has been telling Canadians what they must cut back on. Would the minister consider a public review of monetary policy in the country and a review of the mandate of the Bank of Canada?

Would the minister commit to undertaking such a public review before the budget of that mandate of the Bank of Canada and the interest rate policy?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, approximately one to two months after we first took office, the Government of Canada and the Bank of Canada entered into an agreement whereby we set the inflation targets which is very important in terms of monetary policy in the country and in terms of keeping inflation low.

As you know, Mr. Speaker, keeping inflation low is a major asset toward the economic recovery of the country. What is crucial, if we are going to get interest rates low, is that we get the fundamentals right and that is job creation, investment in productivity, low inflation and the kinds of things we are now seeing within the Canadian economy.

• (1500)

We live in an interdependent world. No country is isolated from the effects of that. Getting the fundamentals right and the economy strong and cleaning up the finances of the country are by far the best ways of keeping interest rates low.

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OCCUPATIONAL SAFETY

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development. Every year on the job accidents cost the government and the economy about $10 billion. In these times of fiscal restraint it is important to find ways to cut costs.

What action is the minister taking to eliminate waste and cut on the job accidents which currently total about $10 billion a year?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I thank the hon. member for a question which I think is both important and timely. We have noticed over the last several years there has been a trend line downward in the level of occupational accidents and the level of compensation claims. We recognize that with a whole new series

and new kinds of industrial and office based hazards growing, we are going to have to do more.

One thing we did immediately was establish a 1–800 number that works out of the Centre for Occupational Health and Safety in the city of Hamilton to provide instantaneous information for all users of industrial kinds so they can find out what kinds of solutions and programs are necessary.

One of the most important initiatives under the new labour side agreement under NAFTA is that we have now started a series of major conferences on occupational safety dealing with petrochemicals, construction and electronics so we can begin to share the knowledge and information of the three countries and begin to provide new standards.

It is important, especially when we get into new office space hazards, ergonomics and other areas, that we begin to enlist the co–operation of business, labour and all levels of government to provide a new regime of occupational safety in the country.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, during his reply, at which time I expected a lot of rhetoric, the Minister of Transport made a particular remark stating that the air traffic control system was safer because I no longer work for it, because I am here in the House.

I would ask the minister to clarify this point. Is the air traffic control system safer because I am here in the House fighting against his unreasonable measures, or was it a direct personal attack on my abilities, in which case he must withdraw—

The Speaker: I see where we might get into a little more repartee here. I wonder if the hon. member would give me a day to look at the blues to see precisely what was said. I will try to figure out what was meant. I will get back to the House if necessary.

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL APPOINTMENTS

Mr. Peter Milliken (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 nomination which was recently made by the government.

Pursuant to the provisions of Standing Order 110(2), it is deemed referred to the Standing Committee on Canadian Heritage.

* * *

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (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 a petition.

* * *

[*English*]

MULTICULTURALISM

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, in accordance with Standing Order 32(2), I have the honour today to present to the House, in both official languages, a letter conveying the government's position and decision on redress.

* * *

• (1505)

MULTICULTURALISM

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I have just tabled the letter I sent to the following groups: the Chinese Canadian National Council, the German Canadian Congress, the Canadian Jewish Congress, the National Association of Canadians of Origins in India, the National Congress of Chinese Canadians, the National Congress of Italian Canadians, the Ukrainian Canadian Congress and the Canadian Ukrainian Civil Liberties Association.

The letter conveys the government's decision on redress. This is not a decision the government has taken easily, but it is one that after much discussion reflects a commitment to building a more fair and equitable society.

In the letter I wrote that as Canadians we are proud that our citizens trace their origins to every part of the world. Together we have built this country on the principles of fairness, generosity and compassion. Our history records the remarkable success we have achieved by applying those principles.

Our history also records that at times we have strayed from them. There have been episodes that have caused suffering to people.

[*Translation*]

In the crisis atmosphere of war, some Canadian ethnocultural communities found their loyalty questioned, their freedom restrained and their lives disrupted.

[*English*]

In the past Canada enforced some immigration practices that were at odds with our shared commitment to human justice. Canadians wish those episodes had never happened. We wish those practices had never occurred. We wish we could rewrite history. We wish we could relive the past. We cannot.

[*Translation*]

We can and we must learn from the past. We must ensure that future generations do not repeat the errors of the past.

[*English*]

Seeking to heal the wounds caused by the actions of previous governments, six ethnocultural communities have requested redress and compensation totalling hundreds of millions of dollars. The government understands the strong feelings underlying these requests. We share the desire to heal those wounds.

The issue is whether the best way to do this is to attempt to address the past or to invest in the future. We believe our only choice lies in using limited government resources to create a more equitable society now and a better future for generations to come.

Therefore the government will not grant financial compensation for the requests made. We believe our obligation lies in acting to prevent these wrongs from recurring. The government will continue to take concrete measures to strengthen the fabric of Canadian life by combating racism, prejudice and discrimination through education, information and the promotion of the values of fairness.

[*Translation*]

We have already made progress. The Canadian Charter of Rights and Freedoms now guarantees equal protection and benefit of the law without discrimination. Through the Canadian Multiculturalism Act, we are committed to the full and equitable participation of individuals and communities of all origins in shaping Canada's destiny.

By passing the Canadian Human Rights Act and upholding the international convention on the elimination of all forms of racial discrimination, we have taken another step in entrenching the principle of equality.

[*English*]

The letter goes on to say a further major step forward is the establishment of the Canadian race relations foundation. The government will proclaim the act establishing the foundation in the spring of 1995. The foundation, first proposed a decade ago, will play a fundamental role in moving toward the elimination of racial discrimination in Canada.

[*Translation*]

We honour the contribution of all those communities whose members, often in the face of hardship, persevered in building our country.

[*English*]

Together we must ensure that all Canadians can face the future with pride in Canada, in our values and in their own heritage. We are a nation of inclusion. Our task is to strive together to guarantee that the actions of the country match the principles of its people.

• (1510)

[*Translation*]

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, first of all, I would like to point out to the secretary of state that we received a copy of her statement barely an hour and a half ago. We think that is unreasonably short notice and the government has a strange way of proceeding, to say the least.

Be that as it may, I am pleased to speak today on this important matter. Indeed, it is wrong to minimize the suffering of several Canadian cultural communities caused by Canada's reprehensible behaviour towards them, as was the case in the climate of crisis due to the war.

Canada shamefully deviated from the principles of justice, compassion and generosity which always guided its behaviour towards all its citizens from all over the world who have contributed greatly to its enrichment.

The government's decision not to pay financial compensation to the cultural communities that asked for redress is totally irresponsible. Instead of excusing the past, the government must face the truth. Some members of these communities were incarcerated in makeshift camps, the property of some was seized, others lost their jobs; in short, their most basic rights were literally violated.

What is the government's response to them? We are sorry for the past and we must now get on with the future. What a response.

Does the government realize that many people still live today with the scars from what happened then? What message is the government giving all those affected by what Canada did? That the country does not face up to its responsibilities and hides behind pious platitudes.

On the contrary, the Bloc Quebecois thinks that there should be fair financial compensation for all those citizens who were considered to be outright enemies of Canada. The government must make fair financial restitution to these people and communities. The desire of the leaders of these communities for real

restitution must be respected. The government must immediately go back on its decision.

On behalf of all members of the Bloc Quebecois, I wish to repeat how important we consider the cultural communities in Canada and Quebec to be; their contribution to our societies points the way to the collective development of us all.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, this fall I had the privilege of speaking at a symposium in Banff hosted by the Ukrainian Canadian Civil Liberties Association. Members of the association were asking the government to recognize injustices that had been taken against their group during World War I.

In the early 1900s thousands of people came to Canada from all over the world. Many of these settlers had come from Austria–Hungary, fleeing their oppressive government. When the first world war broke out these people were declared aliens and were made to report weekly to the government. Failure to do so resulted in arrest and deportation to labour camps.

Unfortunately this treatment was not limited to people from Austria–Hungary. As the minister explained, people from various ethnic backgrounds were treated in a similar fashion and the only reason they were treated so poorly was their membership in a group, in these cases an ethnic group.

I am elated to see the Liberals following the lead established by the Reform Party. They recognize as we do that Canada has never entered a war spontaneously or without great consideration. Canadians prefer peace and mediation to the horrors and atrocities of war. Further, Canadians cherish the equal rights of all individuals in society and recognize that they should not be compromised.

It is not possible to determine who has been negatively affected by these government decisions or exactly by how much. Giving money to these groups to redress the mistakes of the past would not fix those mistakes. We do need to look to today and to the future to ensure that the rights of Canadians are not unjustly compromised. The secretary of state has suggested that she will proclaim the Canadian race relations foundation in order for the government to avoid making the same mistakes again.

Unfortunately the Canadian race relations foundation will not meet this noble goal. The Canadian race relations foundation will cost $24 million just in an initial capital output and it is suggested that its yearly operating costs will be several millions of dollars.

• (1515)

However it is not just because of costs alone that we oppose the foundation. We have some of the same concerns expressed by the Liberals when they were in opposition. Let me remind the House of some of their earlier criticisms.

The member for Winnipeg North suggested that the foundation should not exist because the responsibility for the program could be accomplished elsewhere. He stated: "Social harmony cannot be created by posters, proclamations or literary contests or even by co–operation between business and government or direct government action. The real challenge is in the hearts and minds of each of us as individuals".

This foundation will have over 30 GIC appointments; yet another opportunity for patronage at its worst.

The member for Eglinton—Lawrence stated: "One of the most important questions is: How do we finance some of the philosophies the minister says this foundation addresses?"

The member for Scarborough—Agincourt when in opposition also criticized the foundation. He said the foundation "gives the minister a great impact on the direction taken by this organization and could lead to it becoming nothing more than a mouthpiece for government policy. It could lead to the assumption that the foundation is more of a political organization than one of a proactive association for the needs of the furtherance of race relations". He continued to say that "the funds available for this foundation will act only as a vehicle for the government of the day to put out its policies and to place into position people who are supporting it. Probably it will be the president of the foundation, somebody who has raised funds for the government".

This foundation is required by law to be housed in Toronto. The Liberals criticized this fact as well. Winnipeg is the most multicultural city in Canada yet it has been given no consideration as a possible site.

The motherhood ideology of multiculturalism and anti–racism is noble. However support for the programs caring for the policies is already in place. Consider the efforts and positive results accomplished by the Canadian Human Rights Commission. This in conjunction with programs in the Department of Citizenship and Immigration and the Charter of Rights and Freedoms has taken Canada a long way toward reaching the goals of a tolerant society.

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 55th report of the Standing Committee on Procedure and House Affairs regarding selection of votable items in accordance with Standing Order 92.

This report is deemed adopted on presentation.

* * *

[*Translation*]

GOVERNMENT ORGANIZATION ACT (FEDERAL AGENCIES)

The Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.) moved for leave to introduce Bill C–65, an act to reorganize and dissolve certain federal agencies.

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

* * *

[*English*]

INCOME TAX ACT

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.) moved for leave to introduce Bill C–298, an act to amend the Income Tax Act (deduction of interest on mortgage loans).

He said: Mr. Speaker, it is a pleasure to rise in the House today and introduce my private member's bill entitled an act to amend the Income Tax Act (deduction of interest on mortgage loans).

The bill proposes that subject to subsection (2) there may be deducted in computing a taxpayer's income for a taxation year an amount equal to the interest paid by the taxpayer in the year to a mortgage lender on the first $100,000 of a mortgage secured by an individual's qualifying home. Some conditions apply as outlined in this bill.

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

* * *

• (1520)

BUSINESS OF THE HOUSE

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.) Mr. Speaker, I think you will find unanimous consent for the following motion. I move:

> That no Private Members' Business shall be considered on Thursday, December 15, 1994, providing that the item set down for consideration that day shall retain its position first on the order of precedence.

In other words, in order to obtain unanimous consent for private members' hour not to be held tomorrow afternoon, the member in whose name the private member's item is on the order retains his place on the order of precedence when we come back in February.

(Motion agreed to.)

[*Translation*]

PETITIONS

CHILDREN

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, it is my pleasure to present this petition signed by 1,200 students of a secondary school in my riding. It asks one thing only: that the government keep its promise. And I am keeping my promise to the students of this school to present their petition in the House and to read it.

I will be brief. These students tell us that every day on earth 40,000 children die of starvation and illness, and that at the world summit for children the leaders of this country promised to reduce the number of children who leave this earth prematurely. These students also ask the government—

The Deputy Speaker: As the member knows I of course accept his good faith, but has the petition been deemed admissible?

Mr. Sauvageau: It has been accepted and approved.

The Deputy Speaker: Fine.

Mr. Sauvageau: Our whip taught us well Mr. Speaker, and we respect the rules on tabling documents in this House.

The students also told us that every year, on this planet earth, countless numbers of women die giving birth to children. The government undertook to reduce the number of such mortalities.

The government also undertook to help children in war–torn countries, to help children who wanted a normal education, and to respect the work done by children.

For all these promises made by the government, I present this petition, signed by 1,200 students of the École polyvalente Paul–Arseneau.

VOICE MAIL

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, I am pleased to table a first petition signed by 852 residents of the riding of Châteauguay, which I have the honour to represent. These petitioners from 28 organizations object to the use of voice mail in serving seniors. This much criticized technolohy is definitely not suited to seniors.

Indeed, seniors are entitled to proper service, especially when they have inquiries to make about income security. I agree with them and together, we call upon Parliament to kindly ask the government to abandon the plan to implement voice mail for seniors.

CFB BAGOTVILLE

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, pursuant to Standing Order 36, on behalf of over 10,000 residents of the riding of Chicoutimi, I would like to present a petition on the military base in Bagotville, which is one of the main employers

in the region, providing work to more than 1,500 military and 250 civilian employees. The strategic function of the base is air defence and airspace control in eastern Canada, international contingencies and support for land and sea forces.

The base's responsibilities extend beyond its confines, as it also provides support for local recruiting centres and militia units. Finally, over the summer, the base hosted the air cadet camp attended by some 3,000 young men and women. CFB Bagotville has been a major player in our region, both socially and economically, for over 50 years.

• (1525)

[*English*]

MINING

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, pursuant to Standing Order 36, I would like to present a petition in support of keeping mining in Canada.

In this age of technological transformation, we often forget that mining and natural resources are and continue to be some of the economic forces that sustain our great nation, a nation that is judged to be the best place in the world to live.

The petition asks the government to do all it can to improve the slumping mining investment climate in Canada so that mining will continue to provide jobs for Canadians, continue to be a significant exporter and continue to contribute to Canada's economic prosperity.

I fully concur with the petition.

SERIAL KILLER CARDS

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, I would like to place petitions before the House today on behalf of the member for Parliament for Welland—St. Catharines—Thorold.

The petitions are signed by residents of St. Catharines, Thorold, Welland, Niagara Falls and surrounding areas.

I join the petitioners in speaking out against the serial killer cards and call on Parliament to amend the laws of Canada to prohibit the importation, distribution, sale and manufacture of killer cards and to advise producers of killer cards that their products, if destined for Canada, will be seized and destroyed.

RIGHTS OF THE UNBORN

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present three petitions on behalf of my constituents from the Ontario riding.

The first petition calls on Parliament to act immediately to extend protection to the unborn child by amending the Criminal Code of Canada to extend the same protection already enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, the second petition requests Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Dan McTeague (Ontario, Lib.): My final petition, Mr. Speaker, calls on Parliament not to amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships, including amending the Canadian Human Rights Act to include the prohibited ground of discrimination the undefined phrase sexual orientation, which I concur with.

YOUNG OFFENDERS ACT

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am honoured today to rise, pursuant to Standing Order 36, to present three petitions from Elk Island and the surrounding area.

The first petition asks that the Young Offenders Act, because it is not stringent enough, be amended to lower the protected age to 12, to provide harsher penalties for those convicted of violent crimes and the release of the names of offenders.

The petition is signed by 1,296 petitioners.

HUMAN RIGHTS

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the next two petitions are essentially the same. They request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or homosexuality and not to amend the human rights code to include the undefined phrase sexual orientation.

Together the two petitions contain 1,058 signatures.

FIREARMS

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I am pleased to present two petitions today. The first petition contains almost 200 signatures.

The petitioners request that Parliament refuse to accept the anti–firearms proposal of the Minister of Justice and insist that he brings forward legislation to convict and punish criminals rather than persecute the innocent. I gladly present that today.

ASSISTED SUICIDE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, the second petition is from residents of my riding of Port Moody—Coquitlam.

These residents of Canada request that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously.

I certainly support these petitions today.

HUMAN RIGHTS

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, in accordance with Standing Order 36, I would like to present a petition signed by the residents of the city of Fort McMurray in my riding of Athabasca.

The petition requests that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation. I present and support the petitioners.

• (1530)

[*Translation*]

VIA RAIL'S PROPOSED CUTS AND LINE ABANDONMENTS

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I rise today to table a petition signed by 704 Canadians who want the government to continue subsidizing VIA Rail.

Grouped together in Rural Dignity of Canada, these residents of Canada and Quebec demand that the Government of Canada hold public hearings and consultations before making any decision on VIA Rail's proposed service cuts and line abandonments. The people of Quebec and Canada also call for an immediate one-year moratorium to be placed on any line closure.

VOICE MAIL

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I am tabling today a petition on the introduction of voice mail service at Income Security. This petition was signed by 157 residents of Brossard, Candiac and La Prairie and members of the following seniors' groups: AFEAS La Nativité de La Prairie, AFEAS Notre-Dame-du-Sacré-Coeur de Brossard, Club de l'âge d'or de La Prairie, Joie de vivre de l'âge d'or de Brossard.

Whereas seniors are naturally more at a loss when faced with voice mail technology; whereas seniors are entitled to adequate service, particularly with regard to their income security enquiries; therefore, your petitioners humbly pray and call upon Parliament to ask the government to abandon its plan to introduce voice mail systems for seniors.

[*English*]

HUMAN RIGHTS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, I am pleased to present two petitions today which have been signed by over 200 Canadians.

The petitioners draw the attention of the House to the fact that discrimination against lesbian, gay and bisexual Canadians is an everyday reality in all regions of the country. This kind of discrimination is unacceptable in a country known for its commitment to human rights, equality and dignity.

The petitioners call on Parliament to act quickly to amend the Canadian Human Rights Act to include sexual orientation as a prohibited ground of discrimination.

I am pleased to support these petitions.

RIGHTS OF THE UNBORN

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present three petitions signed by well over 100 people.

The first petition asks Parliament to act immediately to extend protection to the unborn child by amending the Criminal Code.

ASSISTED SUICIDE

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, the second petition asks Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no change in the law which would sanction the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, the third petition requests that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval for same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

ASSISTED SUICIDE

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition bearing the signatures of 371 people from Edmonton and other areas in Alberta on the issue of euthanasia. It is a very difficult subject and has much interest to the citizens of Edmonton.

Along with recent correspondence and meetings with individuals and organizations, such as the Ukrainian Catholic Women's League who organized this petition, about their views on the topic, we are planning to hold a policy forum on January 20, in

Edmonton East. We will bring together individuals well versed in legal, medical and ethical aspects of assisted suicide.

It is our hope that this discussion will be informative and broad in scope because I really feel the need for the wise counsel of my constituents on this issue before I can make a final decision on how to vote in the House.

Mr. Clifford Lincoln (Lachine—Lac-Saint-Louis, Lib.): Mr. Speaker, I want to present a petition on behalf of 48 citizens of my riding.

The petitioners request that Parliament ensure the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

GRANDPARENTS' RIGHTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, pursuant to Standing Order 36, it is my pleasure to present petitions on behalf of my constituents and other British Columbians.

The petitioners ask the government to amend the Divorce Act to include a provision which will give grandparents standing before the courts to ask for access to see their grandchildren. Perhaps no time is more heartbreaking and empty than Christmas when grandchildren and grandparents cannot see or speak to each other.

* * *

• (1535)

STARRED QUESTIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, would you be so kind as to call Starred Questions Nos. 97, 98 and 100.

[*Text*]

*Question No. 97—**Mr. Godin:**

With respect to the Kahnawake Band Council (*a*) what is the breakdown of the $1,619,076 in grants awarded to it from 1989 to 1994 to help it negotiate self-government and (*b*) what legal counsel were paid with this money?

*Question No. 98—**Mr. Godin:**

What is the breakdown of the $2,063,470 awarded the Kahnawake Band Council from 1989 to 1993 for purposes of economic development, economic growth and self-sufficiency?

*Question No. 100—**Mr. Godin:**

What is the justification for the average annual increase from 1989 to 1993 of 13.6 per cent in federal investment in the Kahnawake Reserve?

[*English*]

Mr. Cummins: Mr. Speaker, I rise on a point of order. On September 28 I put a question on the Order Paper to the Minister of Fisheries and Oceans concerning the possible conflict of interest of members appointed to the Fraser River Sockeye Review Board. The board has started public hearings and I have yet to receive a reply.

The chair of the review board is a public servant who serves at the sufferance of the government. At least two board members have proposals before government departments. One board member is actively promoting his proposal in the hearings. At least two board members sit on various department of fisheries advisory boards.

It is vital for the minister to respond to this question on the independence of his inquiry. My question deserves an immediate answer.

Mr. Milliken: Mr. Speaker, there are many deserving questions on the Order Paper and I know that ministers are working assiduously to provide competent accurate and full answers to all the questions.

I know that the minister of fisheries will have heard the representations of the hon. member today and I am optimistic that soon we will have an answer for him.

Perhaps we could go back to my original point on Starred Questions Nos. 97, 98, and 100, please. The answers are as follows.

The information held by the Department of Indian Affairs and Northern Development on the band council's expenditures is contained in the financial statements supplied by the band. The information is confidential financial information from a third party and as such cannot be disclosed without the band's consent under the terms of section 20 of the Access to Information Act.

With respect to Starred Question No. 98, I should advise that the answer is identical to that in No. 97.

With respect to Starred Question No. 100 the answer is as follows.

It is not possible for us to verify the percentage of 13.6 per cent. The band's budget increased in part as a result of the introduction in 1991 of the new funding formula for the economic development program.

The band's funding for social assistance also increased as a result of the band taking over the delivery of social assistance to all beneficiaries on reserve in 1992. Moreover the funding for the post-secondary program has also increased.

I ask that the remaining questions stand.

The Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask you to call Motion No. P–3.

That an Order of the House do issue for a copy of the December 9, 1994, report of the Security Intelligence Review Committee entitled "The Heritage Front Affair", subject only to the removal of that information relating to the amount and management of payments to sources which, if disclosed, could, in the opinion of the Solicitor General, impair the ability of the Canadian Security and Intelligence Service to obtain information from sources that is strictly necessary to its duties and functions, and having regard to subsection 18(2) of the Canadian Security and Intelligence Service Act and paragraph 8(2)(*c*) of the Privacy Act.

Mr. Milliken: Mr. Speaker, Notice of Motion for the Production of Papers No. P–3 in the name of the hon. member for Perth—Wellington—Waterloo is acceptable to the government.

[*Translation*]

The Deputy Speaker: Is it the pleasure of the House that Notice of Motion No. P–3 for the production of papers be deemed to have been adopted?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Call in the members.

And the bells having rung:

[*English*]

Mr. Boudria: Mr. Speaker, I think you might find unanimous consent that the vote now before the House be deferred until tomorrow at 10 a.m.

[*Translation*]

The Deputy Speaker: Is there unanimous consent to defer the vote?

Some hon. members: Agreed.

The Deputy Speaker: Therefore, the vote is deferred until 10 a.m. tomorrow.

[*English*]

Mr. Milliken: Mr. Speaker, I would ask that the other Notices of Motions for the Production of Papers be allowed to stand.

The Deputy Speaker: Shall the other notices of motions stand?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker: I wish to inform the House that because of the ministerial statement Government Orders will be extended today by 13 minutes, pursuant to Standing Order 33(2).

• (1540)

[*English*]

Because of the notice provision the House would require the unanimous consent of all members to proceed now with Bill C–53. I wonder if there is unanimous consent.

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF CANADIAN HERITAGE ACT

The House proceeded to the consideration of Bill C–53, an act to establish the Department of Canadian Heritage and to amend and repeal certain other acts, as reported (with amendments) from the committee.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I rise on a point of order. In viewing the motions on the Order Paper this morning I noticed a misprint in Motion No. 12. It should have read: "That Bill C–53 be amended in clause 7" and not clause 4 as it is reported. I would like the assurance that this will be corrected in *Hansard*.

The Deputy Speaker: So done, and I thank the hon. member.

SPEAKER'S RULING

The Deputy Speaker: This is a long ruling and I understand copies will be available for anyone who wishes to have it in writing, almost instantly if not already. There are 27 motions in amendment standing on the notice paper for the report stage of Bill C–53.

Motions Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 21 will be grouped for debate but voted on as follows: (a) a vote on Motion No. 8 applies to Motion No. 10; (b) an affirmative vote on Motion No.

8 obviates the necessity of the question being put on Motions Nos. 1, 2, 3, 4, 5, 6, 7, 9 and 21; (c) on the other hand, a negative vote on Motion No. 8 necessitates the question being put on Motions Nos. 1, 2, 3, 4, 5, 6 and 7; (i) a vote on Motion No. 1 applies to Motion No. 9; and (ii) a vote on Motion No. 5 applies to Motion No. 21.

[*Translation*]

Motions Nos. 11, 12 and 13 will be grouped for debate but voted on as follows:

(a) Motion No. 11 will be voted on separately.

(b) An affirmative vote on Motion No. 12 obviates the necessity of the question being put on Motion No. 13.

(c) On the other hand, a negative vote on Motion No. 12 necessitates the question being put on Motion No. 13.

[*English*]

Motions Nos. 14, 15, 16, 17, 18 and 19 will be grouped for debate but voted on as follows: (a) a vote on Motion No. 14 applies to Motions Nos. 15, 16, 18 and 19; (b) an affirmative vote on Motion No. 14 obviates the necessity of the question being put on Motion No. 17; (c) on the other hand, a negative vote on Motion No. 14 necessitates the question being put on Motion No. 17.

[*Translation*]

Motions Nos. 20 and 23 will be grouped for debate. A vote on Motion No. 20 applies to Motion No. 23.

[*English*]

Motion No. 22 will be debated and voted on separately.

[*Translation*]

Motions Nos. 24, 25, 26 and 27 will be grouped for debate. A vote on Motion No. 24 applies to Motions Nos. 25, 26 and 27.

[*English*]

I will now propose Motions Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 21 to the House.

MOTIONS IN AMENDMENT

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ) moved:

Motion No. 1

That Bill C-53, in Clause 4, be amended by replacing lines 19 to 24, on page 1, and lines 1 and 2, on page 2, with the following:

"4. (1) Subject to subsection (2), the powers, duties and functions of the Minister extend to and include all matters over which Parliament has jurisdiction, not by law assigned to any other department, board or agency of the Government of Canada, relating

(*a*) to Canadian identity and the identity of Quebec;

(*b*) to the values, cultural development and heritage of Canada and of Quebec; and

(*c*) to areas of natural or historical significance to Canada or Quebec.

(2) The Minister shall not exercise the powers and perform the duties and functions assigned to the Minister by the Act, unless the Minister has received the approval of the government of every province where

(*a*) the government of the province has enacted legislation or established a provincial program in a matter over which Parliament has jurisdiction under subsection (1); or

(*b*) the government of the province has notified the Minister in writing of its intention to enact such legislation or to establish such a program."

• (1545)

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

Motion No. 2

That Bill C-53, in Clause 4, be amended by deleting lines 6 to 8, on page 2.

Motion No. 3

That Bill C-53, in Clause 4, be amended by deleting line 9, on page 2.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata) moved:

Motion No. 4

That Bill C-53, in Clause 4, be amended by adding after line 11, on page 2, the following:

"(*c*.1) copyrights;".

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

Motion No. 5

That Bill C-53, in Clause 4, be amended replacing lines 16 to 18, on page 2, with the following:

"(*e*) national historic sites, national battlefields, heritage".

Motion No. 6

That Bill C-53, in Clause 4, be amended replacing lines 23 to 27, on page 2, with the following:

"(*g*) the promotion of language policies centred

(i) on freedom of speech,

(ii) on recognition of the French language in Quebec and the English language in the other provinces,

(iii) on recognition of bilingualism in key federal institutions, such as the Parliament of Canada and the Supreme Court of Canada, and

(iv) on recognition of bilingualism where the number of citizens is sufficient to warrant the provision to them of services in both official languages;".

Motion No. 7

That Bill C-53, in Clause 4, be amended by replacing new paragraph (2)(*j*), with the following:

"(*j*) the formulation of cultural policy as it relates to foreign investment;".

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata) moved:

Motion No. 8

That Bill C–53 be amended by deleting Clause 4.

Mrs. Christiane Gagnon (Quebec) moved:

Motion No. 9

That Bill C–53, in Clause 5, be amended by replacing lines 38 to 43, on page 2, and lines 1 and 2, on page 3, with the following:

"5.(1) Subject to subsection (2), in exercising the powers and performing the duties and functions assigned to the Minister by section 4, the Minister shall initiate, recommend, coordinate, implement and promote national policies, projects and programs with respect to Canadian identity and the identity of Quebec, Canadian values, cultural development and heritage and the values, cultural development and heritage of Quebec and areas of natural or historical significance to Canada or to Quebec."

(2) The Minister shall not exercise the powers and perform the duties and functions referred to in subsection (1), unless the Minister has received the approval of the government of every province where

(*a*) the government of the province has implemented in the province a policy, project or program referred to in subsection (1); or

(*b*) the government of the province has notified the Minister in writing of its intention to implement a policy, project or program referred to in subsection (1)."

Mrs. Suzanne Tremblay (Rimouski—Témiscouata) moved:

Motion No. 10

That Bill C–53 be amended by deleting Clause 5.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

Motion No. 21

That Bill C–53, in Clause 22, be amended by deleting lines 4 to 8, on page 8.

[*Translation*]

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, I am pleased to have the opportunity today to discuss the amendments moved by my colleague from Rimouski—Témiscouata and myself concerning Bill C–53, on the Department of Canadian Heritage.

I do so with pleasure, because the amendments proposed by the official opposition well reflect one of Quebec's traditional demands from the government in Ottawa. Indeed, the very essence of the proposed amendments—and we make no mystery of it—is the recognition of Quebec's cultural specificity and identity.

• (1550)

In so doing, we propose that the federal government and the House of Commons at the very least recognize the fields in which Quebec has exclusive jurisdiction. Once it has recognized them, we ask that it respect them.

Bill C–53 as written is seriously deficient, first of all, because it fails to recognize the existence of more than one national identity on Canadian territory. We refer in particular to clauses 4 and 5 concerning Canadian identity, Canadian values, Canadian culture and Canadian heritage.

I have already had the opportunity several times in this House to express my opinion that no unified Canadian culture exists, since efforts are still being made to define, discover and grasp it. We also note a glaring omission in the bill. Indeed, no mention is made of the Quebec and native cultures and identities. Why? For what secret reason is the government systematically ignoring those very real and important cultures? Is it to eliminate them? Is it to better promote a new product, as though this was a mere marketing strategy? There has to be a reason. Maybe some day we, mere mortals, will be worthy of that knowledge.

The vast majority of Quebecers do not agree with this legislation. Let me quote some testimony heard by the Standing Committee on Canadian Heritage.

I will quote officials from Quebec organizations which represent a very large number of people, because their opinions carry more weight. I will start with the Mouvement Québec français, whose members are the Montreal Teachers Alliance, the Association québécoise des professeurs de français, the Centrale de l'enseignement du Québec, the Confederation of National Trade Unions, the Fédération des travailleurs du Québec, the Mouvement national des Québécois, the Société Saint–Jean–Baptiste de Montréal, the Union des artistes, the Union des écrivains québécois and, last but not least, the Union des producteurs agricoles.

Together, these groups represent a very large segment of the Quebec population. Here is what their spokesman, Guy Bouthillier, had to say:

"In this bill, everything related to culture is labelled under the heading Canadian identity. Indeed, nowhere is there any reference to Quebec and its culture. From the federal government's point of view, there are only one culture and one identity: the Canadian ones. This will come as a surprise only to those who still believed that there was some basis—as well as some honesty on the part of those who oppose that notion—for the concept of a distinct society. This bill will at least have the merit of dissipating any lingering illusion. Beyond the fine rhetoric, there is the written word, the legislation, which will prevail in the end".

Needless to say, the Mouvement Québec français rejects this legislation.

François Rocher, an associate professor of political science at Carleton University in Ontario, said this: "The government's approach is part of an unfinished process to build a national identity by denying existing realities in Canada".

He went on to say that the only option that would be both acceptable to Quebec and potentially beneficial to the other

provinces of Canada would be to revert to the duality concept—at least in the case of Quebec—and to accept the political consequences of such a decision.

I may add that Professor Rocher submitted his analysis of the bill in his professional capacity and not as someone representing a nationalist organization from Quebec.

On the other hand, one of the best known organizations in Quebec is the Saint–Jean–Baptiste Society of Montreal, also a member of the Mouvement Québec français, as I mentioned earlier.

In their brief, they said, among other things, that they were firmly opposed to Canadian multiculturalism and to legislation that would enshrine intrusions by the Government of Canada into Quebec's cultural life. The culture of the people of Quebec must not be subordinated to the priorities of the culture of another people, the people of Canada. This bill is centralist in design and a threat to Quebec's distinct identity. It was a bill that would be forced down people's throats, over the almost unanimous objections of Quebecers to a concentration of authority over cultural matters in Ottawa and to a view of national identity that was designed to submerge Quebec's identity, according to the brief. It is all there, Mr. Speaker.

• (1555)

It is clear that all intervenors from Quebec who examined this bill condemned the centralist vision underlying the federal government's intentions. The problem is not new. It has been with us for a long time. What surprises me is that these people are still willing to come to Ottawa to express their views as Quebecers. After years of struggle, one would expect them to stop trying. However, they are anxious for their friends in Canada to understand the differences that make Quebec distinct, a distinctness that will soon be expressed in a new status for Quebec, that of a sovereign state.

I want to take this opportunity to thank these people for spending all this time and effort to attend the committee's hearings. I want them to know their efforts were greatly appreciated.

I also want to mention the entirely unacceptable attitude of some committee members who consistently stayed away when witnesses from Quebec testified before the committee, which merely confirms the general lack of interest for Quebec's concerns. This attitude is reflected in the wording of the bill and has always been present in relations between Quebec and Ottawa. It is not just a lack of courtesy. It reflects a complete lack of interest and consideration. This is very sad.

Members from Canada had a chance to become better acquainted with their future neighbour. They did not take advantage of this opportunity and as a result may not understand that the purpose of our amendments is the very basis of our determined opposition on this bill. Another perfect example of the two solitudes, although the Minister of Canadian Heritage denied this when he appeared before our committee.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I am pleased to speak at report stage to Bill C–53. I have proposed 14 amendments and present these as common sense changes. We are told the bill is a simple housekeeping matter, but I suggest this is not the case. The bill should not be passed in its present form and the amendments suggested will improve it.

The first glaring omission is the requirement by the department to submit an annual report. We have heard all the rhetoric from the Liberal side of the House on how accountable it is to Canadians, yet despite this it has neglected to include a clause requiring the department to explain its actions to Canadians.

The Auditor General has made it clear that Canadians and members of Parliament require more access to information about the operations of government than what was presently received. In light of this it is hard to understand why the government has chosen to move in a direction away from reporting of this kind.

We have heard in response to our concerns on this issue that information on the departments may be included in the estimates. However, this is unacceptable for a number of reasons. First, the estimates are prepared to outline in general terms the proposed spending priorities of the department, whereas an annual report provides information about how the money was spent. This is an important difference.

Second, an annual report will include a description of the plans and priorities for the future and an evaluation of whether former plans and priorities have been met. Such information is not contained in the estimates.

Third, the only assurance the House has that information which was formerly contained in the annual reports will be included in the estimates is a promise from the government—cold comfort indeed.

The bill is meant to streamline government and to get rid of bureaucratic redundancies. However consider the following. The inclusion of parks, natural marine conservation areas, historic canals and copyright create an array of confusion and wasted money.

During the review of the bill at committee we heard testimony regarding parks. The managing director of the association for mountain parks protection and enjoyment provided for the committee a balanced review of parks. His presentation did not promote a vision from either of the extremes on the issue. He did not promote a tree hugger approach to parks, which advocates a zero usage mandate for parks. Nor did he promote an industrialist approach, which advocates unsustainable parks use. The position suggested was one of compromise between industry and sustainability. He said: "Many Canadians have questioned why the government moved Parks Canada from the Department

of the Environment to a new and seemingly unfocused Department of Canadian Heritage. Over the previous 14 years Parks Canada had established a firm position within the DOE as the leader and innovator in matters affecting the environment. I have proposed an amendment which will delete from the bill all references to Parks Canada. This will allow us to move it to DOE where it belongs".

• (1600)

The same arguments can be made for natural marine conservation areas. Why should the Department of Canadian Heritage be responsible for natural marine conservation areas? It makes no sense. Presently transport looks after historic canals. I fail to understand why we are going to pass a bill that will add jurisdictional headaches, in this case specifically to canals. Again this is needless, wasteful duplication.

I have also proposed amendments which would have the effect of deleting from the bill the references to copyright which it now contains. As the American model demonstrates, the last thing that artists need is a bloated bureaucracy which fights over jurisdiction for copyright responsibilities. The most effective assistance to artists is to take the responsibility for copyright and to lay it squarely within one department. In this instance I believe that department to be industry.

Bill C–53 gives the minister jurisdictional powers over the promotion of greater understanding of human rights, fundamental freedoms, related values and multiculturalism. No one would disagree with the nobility of the intent behind these statements, just as no one would disagree with the statement that racism is bad.

However, our concern remains with the number of ministers responsible for these programs. Presently they are covered by immigration, justice, health, heritage and who knows how many others. This kind of administrative overlap is wasteful and needless.

We have proposed an amendment which would transfer to the regions responsibility for national languages. When reviewing the bill at committee we heard a number of witnesses who criticized the federal government's language policy. The Liberals did not call a single witness to defend the policy. This can only be because it is so hard to find someone to defend it.

Regarding language policy, we recommend the bill include a clause which would read the minister has jurisdiction over the promotion of language policies centred first on freedom of speech, second on recognition of the French language in Quebec and the English language in other provinces; third on recognition of bilingualism in key federal institutions such as the Parliament of Canada and the Supreme Court of Canada; and fourth, on recognition of bilingualism where the number of citizens is sufficient to warrant the provision of services in both official languages.

The Prime Minister has stated that in order to help bring the deficit down he wishes to replace duplication within the provinces. The amendment will do just that. It recognizes that the primary responsibility for languages should remain in the regions and the provinces.

Members of my party have been pointing out the wasteful spending of special interest grants since we arrived in this House and for seven years before our arrival. Clause 7(a) of the bill gives the minister the authority to issue grants, contributions and endowments.

The amendment I present finally puts an end to the special interest funding that Canadians have come to resent. The only people who defend these grants are those who receive them. Surely their opinions should be questionable because of an obvious conflict of interest. When we ask Canadians who do not receive these grants how they feel about them their answers are always the same. They do not understand why their tax dollars should be spent on small groups of people with narrow agendas, especially when that money could be spent in better ways like reducing the deficit and debt and to help protect programs such as health care.

Finally, the government has put in the bill clause 8 which will give the Minister of Canadian Heritage the unilateral authority to raise revenues by arbitrarily raising fees for services or facilities. According to the Financial Administration Act, the minister must take such decisions to cabinet. Such a requirement is the minimal process to be followed for the accountability and transparency of fee increases. Now with clause 8 of the bill, the minister will be able to raise any fees he chooses. He must only consult with the relevant party. What does that mean?

Our amendments bring a nominal level of accountability to government. I seek the support of the House to the changes we recommend.

• (1605)

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): If we are proposing this many amendments, Mr. Speaker, it is chiefly because the bill, as it stands, is really unacceptable to us.

I would like to address in particular the amendment we have proposed on copyrights, as we would like to have copyright throughout federal jurisdiction brought under the Department of Canadian Heritage. We feel this amendment is essential for the following reason: shared responsibility for copyright by the two departments causes undue delay in reviewing the Copyright Act.

When they testified before us last Monday, representatives of the artists' union told us that they have been waiting for politicians to get around to amending the Copyright Act for eight years.

On December 22, 1993, the director general of the Montreal artists' union, Mr. Demers, wrote the Prime Minister to tell him that this sharing of responsibility by two departments has led to a two–headed vision, which has resulted in objectives that were more often than not contradictory. The Copyright Act is the only legislation protecting the rights of creative artists. We believe that it should be designed around this priority. Since it is in the interest of creative artists that consumers have unrestricted access to their works, the Department of Canadian Heritage will certainly not lose sight of their unique interests. We need only review existing legislation in other countries to see that protecting the rights of creative artists in no way impedes the circulation of their works, quite the contrary.

Another reason for presenting this amendment is that the Department of Industry is mandated to look after the interests of consumers and corporations, a responsibility that interferes with the interests of creative artists. The cultural industry is like any other industry, according to the Department of Industry.

During the proceedings of the industry committee, the director general of corporate governance at the Department of Industry, David Tobin, testified as follows:

> Our view, of course, is that cultural groups are exactly that. They are a cultural industry and we recognize them as that. There are employment and financial considerations. They are adding value to it. When you ask whether we treat them differently, I would argue that we consult with them, we share information with them, and we discuss their concerns. I do not think we treat them any differently.

This raises a doubt in my mind: what will happen in the next rounds of negotiations if we are unable to really defend our cultural industries, if we do not see them at the outset as clearly different from other industries? What will happen then with the GATT agreements we had such a hard time securing, at the very last minute this time around.

Another reason is that the industry minister does have legal responsibility for copyright matters. They tried several times to convince us that the responsibility was shared between the two departments, that the two ministers would address the issue, and that the Department of Industry works with the Department of Canadian Heritage. The deputy minister who testified on behalf of the Department of Canadian Heritage said that they were 100 per cent responsible for drafting the bills.

Some responsible individuals with the same mandate at the Department of Industry told the industry committee that their goal—as Mr. Finckenstein stated—was to consolidate the four old departments into a single one and to combine the four old laws into a single one. That was to create the Department of Industry. This bill reflects the situation that prevailed under the old legislation.

The old legislation included the Copyright Act, which came under the Department of Consumer and Corporate Affairs; responsibility for it has now been given to the Department of Industry. Let me say that the old Department of Communications Act does not contain a single reference to copyright. The only law which refers to it is the Department of Consumer and Corporate Affairs Act. We now find this same reference in the Department of Industry Act.

This clearly suggests that the Department of Canadian Heritage will have no jurisdiction over copyright, despite what we may have been told and what the Minister of Canadian Heritage himself may have said.

• (1610)

Another reason is that the heritage department's mandate is to promote cultural development. We saw that very clearly in the brief from the Union des artistes, which said: "Since the role of this department is to look after identity, values, cultural development and heritage, we think that it is logical, fitting and obvious that this department defends and promotes the rights of those without whom the above concepts are meaningless".

Surprisingly, during the election campaign which brought it to power, the Liberal Party answered a questionnaire from the Canadian Conference of the Arts, dated October 4. Two questions drew my attention because the answers were particularly interesting.

The Liberal Party was asked if it would make it a priority to revise the Copyright Act so that this law would really defend the financial and moral rights of writers. The Liberal Party answered that revising the Copyright Act would be a priority for it. "We will ensure above all that writers reap the just rewards of their work at the same time as we facilitate access to material protected by copyright. Liberals understand the importance of copyright. That is why, when we reorganize the administrative structure", which we are now doing with this bill, "we will review the Conservatives' decision to divide jurisdiction over copyright between two departments".

I am really sad to see the Liberal Party, which had made a formal commitment to establish a single department and to correct the mistake made by the Conservatives, perpetuate that mistake through Bill C–53. I am sad to see that it gives priority to the industry rather than to creators. Soon, Canada will no longer be a place for creators, because the industry will have taken precedence over creativity.

Another reason why the government should accept the amendment which we propose is expressed, once again, by the Canadian Conference of the Arts: "The cultural sector has a long experience of the paralysis resulting from the sharing of responsibility in key sectors. Suffice it to mention the dead end in

which the copyright legislation is stuck, precisely because of this fragmentation of jurisdiction".

As recently as yesterday, we saw an example of the difference between two departments can be and perhaps what a minister with clout can do. When we pressured the heritage minister on broadcasting and cable television companies, he said: "I cannot intervene". However, when major companies asked the government to order the CRTC to review the decision to approve a $2 increase, the government said: "Yes, that decision will be reviewed". Not because that decision is costly for the poor, but because it affects major companies. That is the problem: When it comes to defending real causes, the Liberal Party does not deliver. It does not fulfill the promises it made on cultural development and copyrights.

I deplore this situation and I hope that, before the end of the debate, the government will have the courage to postpone the passing of this bill, which really does not benefit Canadian culture and creative artists. I also hope that the minister, who probably hears our plea somewhere, will take these factors into consideration for the future of Canada.

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I was surprised and even disappointed to hear the motions presented by the hon. member for Calgary Southeast, who calls herself a Canadian first but, at the first opportunity, is not averse to lashing out at French Canadian minorities.

• (1615)

Bill C–53, an Act to establish the Department of Canadian Heritage and to amend and repeal certain other Acts, says in clause 4(*g*), which the hon. member for Calgary Southeast would like to redraft in her image, that the Minister of Canadian Heritage wants to see "the advancement of the equality of status and use of English and French and the enhancement and development of English and French linguistic minority communities in Canada".

The hon. member for Calgary Southeast proposes that lines 23 to 27 be replaced with the following: "*(g)* the promotion of language policies centred: (i) on freedom of speech". I wonder whether the hon. member for Calgary Southeast realizes what she is saying. Freedom of speech is not about the language you speak but the ideas you want to share with others. She does not even understand the principle of the freedom of speech to which people are entitled in Canada.

Second, she recommends the following: "on recognition of the French language in Quebec and the English language in the other provinces". This is horrifying, coming from a person who calls herself a Canadian but would like to see only Quebec as French speaking and the other provinces, and I say the other provinces and not the rest of Canada, as English–speaking.

As a French speaking member from Ontario, a fourth generation franco Ontarian, I say to the hon. member, through the Chair, that her proposals are an affront and an insult. As a French Canadian and a francophone, do I not have the right to speak my own language and receive services in that language? You would take away these rights. It is utterly despicable to want to take away those rights, and to tell anglophones in Quebec: From now on, you will have to speak French if you want services or whatever.

I would ask the hon. member's colleague to repeat what he just said. Was that a racist comment, sir? Would you repeat what you said?

The Deputy Speaker: Order. I did not hear the remarks. Dear colleagues, this is a very important debate. If all members could just keep their cool and their comments to themselves, this would benefit us all, as Canadians.

I give the floor back to the hon. member for Carleton—Gloucester.

Mr. Bellemare: Thank you, Mr. Speaker, for this reminder. I can assure you that it is rather difficult to keep your cool when your language rights are violated, when you are told that you will no longer be allowed to speak your language, except in the stables or in the privacy of your own home, in the shed or while mowing the lawn. From now on, I would not be allowed to speak French in my province of Ontario that is so dear to me or to request certain services in French when travelling to Calgary. I regret to say that the hon. member is far from kind.

Her third suggestion deals with "recognition of bilingualism in key federal institutions, such as the Parliament of Canada and the Supreme Court of Canada". She and her colleagues from the Reform Party, whom I have observed, especially on the official languages committee, do not understand the first thing about the Official Languages Act, nor do they understand what bilingualism is about.

• (1620)

They do not understand what bilingualism is about. They confuse official languages and bilingualism. They are under the impression that laws are made here to force anglophones to speak French for example. That is not it. The hon. member, on the other hand, would like to force me to become, if possible, unilingual and speak English only. There is nothing wrong with being a unilingual English speaking member of Parliament, but personally, as a franco Ontarian, I would rather be francophone,

franco Ontarian and bilingual, and have respect for English Canadians as well as French Canadians.

Bilingualism, dear lady, is for people who put themselves at the service of others.

The Deputy Speaker: I think it was pointed out at least five times that members should address their remarks to the chair. We would then avoid problems like this. I would ask the hon. member to address his comments to the chair, please.

Mr. Bellemare: Mr. Speaker, you are right, I will address my remarks to you, but I will refer to the hon. member. I know that to the hon. member, who probably does not understand French and certainly does not speak it, the word "madam" may sound very negative and even derogatory. I wanted to pay her a compliment, but she does not want me to. Perhaps she is not a lady. I do not know, but I do know that she is an elected member.

So from now on I will refer to her as the hon. member for Calgary Southeast, who is against bilingualism and against francophones outside Quebec. Bilingualism is for those who want to serve the country. Bilingualism is for those who want to serve the people of their country. Bilingualism is for those who want to do business with other countries, English speaking countries and French–speaking countries alike.

There are about one billion anglophones and francophones around the globe. One billion. People who become bilingual are an asset to Canada, but dear lady—excuse me, the hon. member for Calgary Southeast—is not interested in principles or in Canadian history. I am sure that she does not spend her evenings reading about Jacques Cartier, Champlain or Montcalm. She thinks that Canadian history started when she was born and that regulations should always be based on financial considerations. She does not give a hoot about anglophone minorities in Quebec and francophone minorities outside Quebec. I find her remarks totally deplorable and un–Canadian.

[*English*]

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, it is a pleasure to stand before the House and discuss the report stage of Bill C–53.

Bill C–53, as I mentioned during the first and second reading, is riddled with problems which are quite evident if we look at the number of motions that have been put forward by the Reform Party and the Bloc Quebecois. Because of time constraints, I will attempt to keep my comments extremely brief and focus solely on the motions before us.

Motion No. 2 deals with the removal of clause 4 in section 2(a). While I am in no way against "the promotion of the greater understanding of human rights, fundamental freedoms and related values". I am against the idea of having more than one minister responsible for these issues. In fact I wholeheartedly believe that the Department of Justice is better suited to ensure the noble intentions of this clause.

• (1625)

Passage of Motion No. 3 would result in the elimination of multiculturalism from the bill. I believe that the continued funding of programs like this will ensure a Liberal defeat in the next election. Canadians want less government, not more. They want to see the government manage its allocation of revenues and stop running up astronomical debts and deficits.

In short, what they are looking for is a government to priorize its spending programs to ensure that everyone is maximizing the benefits from his or her tax dollars.

Government funded multiculturalism programs do nothing to address this fundamental attitude toward government spending and programs. In fact, the Liberals seem more content to raise Canadian taxes than they are to control spending. We have a spending problem in Canada, not a revenue problem. Therefore not only is multiculturalism financially unsound but in fact it is politically unsound as well.

As a member of the standing committee on heritage I have had the pleasure of listening to witnesses describe the multicultural funded programs as a poor way to promote culture. Moreover, I have heard and talked to many Canadians who believe that multiculturalism does nothing but make us all hyphenated Canadians focusing on what separates and not what binds us together. Its day has come and gone and it is time that the Liberals face up to this fact.

Motions 5 and 21 deal with an issue that is also of great concern to the Reform Party. I am speaking of overlap and duplication. Why should one department oversee areas which should be under another portfolio such as national parks and marine conservation areas, or even historical canals. It should be our goal as parliamentarians to do everything in our power to decrease the amount of bureaucracy and administer services in each department by themselves.

Motions 5 and 21 will be a step in the right direction. They will allow parks and conservation to go back to the Department of the Environment and historic canals to return to transportation.

Historical canals belong to the department of transportation for the simple reason that they are administered by and are subject to the regulations of the department of transportation. A perfect example would be the Ottawa canal. It is a historical canal yet it is still in use and therefore subject to the rules and regulations of the department of transportation. Therefore why is it in the department of heritage?

Motion No. 6 has been clearly stated and illustrated in the Reform Party's blue book policies. Essentially we believe that there is no need for the official bilingualism policy. We feel there should be a policy based on territorial bilingualism where bilingual services will be maintained and supported where numbers warrant. That is the reason we have recognized the need for bilingualism especially in key federal institutions such

as Parliament and the Supreme Court which are explicitly outlined in Motion No. 6.

Clause 7(a) of Bill C–53 is of extreme concern to me as it allows the ministers to facilitate the implementation of any program and the minister also to provide financial assistance in the form of grants, contributions and endowments to any person. The concern arises from the idea that the minister may at his or her discretion provide financial assistance in the form of grants, contributions and endowments. Where are the checks and balances? Where is the accountability? Where is the financial control? Where is the openness and transparency?

Another concern relates to the fact that the minister could be allowed to implement other programs, such as multicultural programs, unilaterally. This would not only be unacceptable to me, to the Reform Party, my constituents, but also to a majority of Canadians.

Motion No. 12 would alleviate this concern as far as it relates to clause 7. Directly related to clause 7(a), clause 8 should be eliminated. Clause 8 deals directly with the notion that the minister can fix fees and charges which the minister considers appropriate. Again, what happened to accountability and openness or checks and balances?

• (1630)

Prior to the bill the minister was responsible and subject to any regulations that Treasury Board made. After Bill C–53, the minister may or may not be subject to these regulations as set out by Treasury Board. It is unclear and therefore it should be removed.

Although for the most part Treasury Board is no more than a rubber stamp in terms of approval for rate increases or fees or changes, there is still an institutional check on the powers of the ministry.

Motions Nos. 14, 15, 16, 18 and 19 alleviate the concerns which the Reform Party has outlined in clause 8 regarding the accountability and powers of a minister.

The last motion I would like to discuss briefly is Motion No. 20. It deals with the inclusion of an annual report which would be brought before Parliament outlining the expenditures and revenues of the department of heritage. I speak in support of this motion because I believe in accountability, openness and fairness.

An annual report would help not only parliamentarians but also Canadians to understand where, why and how much funding was allocated to ensure the best accountability possible. Although I have heard that part III of the estimates will be improved to accommodate the lack of an annual report, I believe it is still in the best interests of Canadians to have an annual report simply because it would be more accessible and clearer than the estimates.

I appreciate this opportunity and I hope that all members of the House listened carefully to why these motions should be supported. I look for them to support these motions when the time comes for a vote.

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, I would like to voice my concern and to basically state that I do not believe this motion should be adopted.

The main reason is, as we have discussed in committee, that the Multiculturalism Act is really a Canadian reality. What we are dealing with here is an opportunity for us as an institution, as a government to ensure that Canadians and those coming from abroad continue to understand the differences that make up this country.

I think multiculturalism helps on the basis of trying to reduce the barriers that exist between us. There are many aspects to multiculturalism that are a new reality in the global sense. That is from an entrepreneurial perspective and business opportunities. I think that when we take into account that the world is becoming smaller with satellites and telecommunications, faxes et cetera, there is an opportunity to encourage our businesses to do more trade which is the fundamental aspect of growth that we in this country are looking forward to.

This act and the Minister of Heritage will continue to increase the understanding of our realism, the Canadian identity as it exists today. We also have to continue to strengthen the cohesion that exists in this country and reduce the lack of understanding that sometimes exists in different regions.

If we take into account the rich human resources and the opportunities that exist for increasing that trade, we will see more Canadians working and we will reduce our deficit problems as the member across stated.

I also believe that multiculturalism policy is an eloquent testimony to our commitment to uphold the values of equity and fairness. It is a visionary statement about the kind of society we are all working to achieve, one in which each Canadian can realize his or her potential, economically, socially, politically and culturally. Multiculturalism is appropriately part of the department of heritage because it is a fundamental characteristic of our Canadian identity.

• (1635)

Therefore I believe the motion should not be adopted.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, on October 3, I spoke on Bill C–53 in this House and I rise today to denounce the mandate which the Department of Canadian Heritage is about to give itself. It is unacceptable for me and for

all Quebecers that this new department's mandate makes no reference to Quebec as a society or to its cultural and linguistic specificity.

Why does the Liberal government again stubbornly persist in wanting to deny the existence of Quebec, its language rights and its cultural specificity? How can the federal government claim that it wants to promote Canadian identity and intentionally omit from its bill any reference to Quebec culture?

Therefore I will support the amendments moved by my colleague from Rimouski—Témiscouata to include in Bill C–53 references to the specific nature of Quebec's culture, language and identity.

I will continue in the same vein by demonstrating to this House that this new department's mandate is to assimilate Quebec culture, no more or less.

Let us take the Canadian Broadcasting Corporation as a specific case in point supporting my argument.

The Broadcasting Act says that the CBC's programming should seek to be of equivalent quality in French and in English.

On this subject the law is clear: French and English must be treated as equivalent.

Let me give you another quotation, this time from part of CRTC decision 87–140, in connection with a public hearing of the Canadian Radio–Television and Telecommunications Commission on January 21, 1994 concerning the licence renewals of the English and French networks.

Among the long term objectives which the CRTC set for the CBC is the following: to achieve a fair and equitable balance in production, distribution and scheduling of regional and network programs on both networks, English and French.

The CBC's mandate is clear since it is dictated by the CRTC's directives and the Broadcasting Act. The French and English networks must be equally productive and have the same rate of programming.

The two quotes which I just read to you clearly show the federal government's apparent intentions. These views are clearly reflected in the act, as well as in the guidelines published by the Crown corporation responsible for the monitoring and renewal of licences for television and broadcasting in Canada.

The federal government says that it seeks to promote the use of French in Canada. However, the daily reality does not support that claim; in fact, it shows just the opposite.

The government cannot merely tell us about its good intentions: It must also act. It is nice to claim equal status for French and English, but that claim must be supported. These are mere statements of intention with no real basis.

On July 27, 1994, the CRTC approved the budget allocation of the Canadian Broadcasting Corporation, in an internal document entitled CRTC Decision 94–437. That document clearly indicates that the CBC allocates 63 per cent of its TV network budget to the English language network, and only 37 per cent to the French language network, this for the term of its next licence.

• (1640)

Moreover, the CRTC feels that the CBC is in the best position to decide how to allocate its funds. Thus, the CRTC is satisfied that the corporation's decisions do not violate the legislation.

If you look at the overall programming costs for the two networks, you will see that the proportion for the French language network is now below 40 per cent, its level of six years ago.

Furthermore, in 1970, there was no difference at all between the two networks. I think this proves that the federal government is gradually limiting the scope of its duties and obligations to accommodate a not so subtle policy of assimilation.

The Broadcasting Act and the CRTC required the corporation to give equal treatment to both networks. Furthermore, both the legislation and the CRTC specify that production of programming should be equivalent for the English and French networks.

However, when it is time to share financial resources, the French network gets half the funding that goes to the English network.

This reduction in financing for the French network reflects Ottawa's lack of vision, which has been very harmful to the development and vitality of the country's francophone communities. This is a typical example of the federal government's policy of ignoring reality.

In fact it reflects the policy of cultural and linguistic assimilation favoured by the federal government: legislate fair and equal treatment for English and French, while this is not followed through in the allocation of financial resources.

I will give a few examples of the corporation's disproportionate allocation of financing.

In 1992 the average investment per hour of programming was $37,496 on the English network and $18,390 on the French network. In other words, half as much.

The average cost of news bulletins was $18,000 on the English network and $7,000 on the French network. Less than half.

The average cost of drama programs was $90,000 on the English network and $68,800 on the French network.

I realize that the Minister of Canadian Heritage and the President of the CBC, Mr. Manera, will try to justify what is being done by his crown corporation by saying that Canada has three times as many anglophones as francophones. However, the tv ratings for the French network are three times as high as for the English network.

In fact, ratings for the English network vary from 11 per cent to 13 per cent during prime time. The Chairman of the CRTC, Keith Spicer, even referred to recent figures below 10 per cent. Ratings for the French network, however vary between 30 per cent and 38 per cent.

In other words, the French network reaches the same number of Canadians as the English network. So why are financial resources not allocated accordingly? Why is the French network at such a disadvantage when it manages to reach the same number of viewers as the English network?

• (1645)

I would like the heritage minister to be able to reply to these questions, because this looks like a policy of assimilation designed to bring about the death of Canada's other cultural community.

Is it the goal of the federal government to destroy the stronghold of the French language in North America? In any event, that is what I think and what the assimilation rate that grows from one census to the next would seem to indicate. Is this the federal government's covert policy of ignoring reality?

This is an unacceptable situation, especially when Canadian legislation stipulates clearly that the treatment must be equivalent. Not more, not less, but equivalent.

How, then, can the federal government continue to claim that it guarantees the equal treatment and use of French in its federal institutions when there are examples such as those of the CBC and the CRTC?

These facts reinforce the findings of the Official Languages Committee. The annual report on official languages demonstrates beyond any reasonable doubt that Canadian heritage organizations are in fact agents for assimilating rather than protecting the French speaking citizens of this country.

The Minister of Canadian Heritage must deliver the goods to the French speaking community in Quebec and elsewhere in this country. The federal Liberal government has the responsibility to guarantee the rights of the cultural minority in this country, especially when they are clearly enshrined in its legislation.

I would like to take the opportunity available to me today to denounce the Department of Canadian Heritage, the Canadian Broadcasting Corporation and the CRTC. This department and these crown corporations are giving credence to decisions that are contrary to the rights of French–speaking communities in Quebec and elsewhere in this country. The federal government has no right to sanction these decisions by the CBC and the CRTC.

The federal government and this new Department of Canadian Heritage deny the cultural identity of Quebec and work against it.

I therefore salute this democratic exercise to which we have been called by the Government of Quebec, in the form of the draft bill on Quebec sovereignty.

This draft bill sets out the political plan that the Government of Quebec recommends in order to resolve, for once and for all, the constitutional problem in which Quebec has been mired for too many years. I think that it is the only way we have left to promote the full development of the people of Quebec.

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Beauport—Montmorency—Orléans—MIL Davie Shipyard; the hon. member for Gaspé—Fisheries; the hon. member for Bourassa—Immigration; the hon. member for Châteauguay—MIL Davie Shipyard; the hon. member for Chambly—Customs Brokers.

[*English*]

Mr. John Godfrey (Don Valley West, Lib.): Mr. Speaker, I am rising to discuss Motion No. 5, which deals with national parks. According to the amendment the effect would be to drop all references in the legislation to national parks, historic canals and national marine areas.

I suppose the question arises: Why should we include national parks under Canadian heritage? For those of us who have been interested in the park system it is interesting to note that over the years national parks have been located in different ministries.

The first place they were to be found after their creation in the 1880s was in what might be described as the predecessor to the Ministry of Natural Resources. This indicates that parks in those days were seen to have not only a natural component but also an economic component. They were seen as part of Canada's natural resources.

A subsequent reorganization of government meant that parks found themselves suddenly with Indian Affairs and Northern Development. This new vision of parks suggested that they were to be seen somehow as up there, out there, out of sight, out of mind to some degree. That was because they were in remote places often in the north, often in places where the aboriginal populations could be found. Of course that ignored the reality that there were parks close to centres of habitation, such as the Rocky Mountain parks.

• (1650)

After that the parks structures found themselves in the Minister of the Environment which seemed to make sense. The theme there was one of protection rather than human use. It put the stress on not interfering with the parks which took away the notion of an economic connection with parks.

Now finally with Canadian heritage the circle is to some extent complete. This latest reorganization of government recognizes that parks have different characteristics all of which have to be recognized. They are natural preserves and need protection, but they are also cultural sites. They are also economic sites for activity, for tourism for example.

By putting them into a new ministry this bill tries to recognize the complex way in which we now look at parks. In this bill we recognize that history, culture and nature are intertwined in some fundamental way. This is simply to pick up on what is happening internationally under conventions such as that of UNESCO concerning the protection of the world cultural and natural heritage. In UNESCO's eyes cultural and natural heritage are inevitably linked and so they are in ours.

Parks are also a crucial element of our national identity. They go with the vision that Canadians have of themselves wherever they live, of being in some close harmony with nature, some respect of nature and some awe of nature. It was Margaret Atwood who once described the common theme of Canadian literature, si c'était en anglais ou en français, as survival in the face of nature, survival in the face of difficult forces.

Those who are concerned that by having parks taken away from the Department of the Environment should rest assured that the environmental concerns will not be diminished by having them in Canadian heritage. They will continue to be respected. It will continue to be the case in our international agreements, such as under UNESCO that parks will be fully protected.

The reason that parks are being put in Canadian heritage is to respect their role as part of our system of values, part of our history, part of our culture, part of what it is to be a Canadian.

As I mentioned earlier, there is an appropriate return to where we first saw parks because there are economic reasons as well to link together national parks and national historic sites. That is because tourism of all sorts is of continuing and indeed growing importance for this government. As members of this House will recall, we have a major $7 billion tourist deficit and parks have their role to play in correcting that, as do national historic sites.

These are terrific assets, our parks and historic sites. It makes sense for them to be kept together. We think that indeed for those who worry about the environment having parks located in the Department of Canadian Heritage simply means there is one more environmental voice at the cabinet table.

It is also the case that it is a commitment of this government to complete the national parks system, that system which was so much expanded in the 1970s by our present Prime Minister. To this we are adding a new kind of park under water parks, the national marine conservation areas which this amendment would have us locate in some other place. These are the parks of the future; these are the parks which respect our complex marine life. They too belong in the same package with the national parks and national historic sites.

Finally, it seems to us that having subjected the national parks system to so many reorganizations and having had it put in so many different places over time that Parks Canada has done well in the new Department of Canadian Heritage. It has found a new place to call home. It would be both counterproductive and extraordinarily disruptive to move it yet again after a mere year and a half.

For those reasons we are opposed to this amendment. We think that national parks and indeed canals and national marine conservation areas belong properly with the Department of Canadian Heritage.

• (1655)

Mr. Milliken: Mr. Speaker, I think you might find unanimous consent for the following motion. I move:

> That 15 members, three staff and three interpreters from the Standing Committee on Agriculture and Agri-Food be allowed to hold hearings in relation to the committee's study on the future of Canadian agriculture in St. Hyacinthe, Victoriaville, Quebec City, Florenceville, Halifax and Charlottetown from January 22 to January 28, 1995; in Kelowna, Camrose, Lethbridge, Saskatoon, Winnipeg, London, St. Catharines, Brockville and Alfred from February 5 to February 15, 1995.

The Deputy Speaker: Is there unanimous consent?

Mr. Hermanson: No, Mr. Speaker, I will not give unanimous consent. I believe there is some disagreement among the committee as to the benefit of this trip.

[*Translation*]

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, I am pleased to rise in this House to speak on Bill C-53. Before getting to my opening remarks, I would like to start by giving a definition of bilingualism. This is my own personal definition but one that I believe is shared by many Quebecers. This is for the hon. member for Carleton—Gloucester who talked about bilingualism and its importance. He has used this term over and over.

I think that, for a Quebecer, bilingualism simply means that a French-speaking Quebecer learns English. We are not so sure that it works both ways. As far as we are concerned, for us, it means learning English, and for the English, being able to understand us. There are of course exceptions, colleagues whom

I wish to congratulate, in this House, on our committee and around us.

The importance of the multicultural dimension of Canadian unity has been mentioned. Not so long ago, we had the opportunity to travel to western Canada with the environment committee. Much to my surprise, be it in Winnipeg, Edmonton—and I call this to the attention of the hon. member for St. Boniface, champion of the French fact—or Vancouver, we were unable to find French–language newspapers in the hotel, airport or convenience store. Nowhere in Edmonton, Winnipeg and Vancouver was I able to buy *Le Devoir* or *La Presse*. But you could get *USA Today* and magazines from New York City. There were all sorts of magazines and newspapers but none in French. And we are told that the French fact is very well championed just about everywhere. I have my doubts about that.

The amendment to clause 4, presented by my colleague from Rimouski—Témiscouata, would simply recognize Quebec's identity in Bill C–53. It is an essential clause. It is indeed essential to recognize that Canada was built by two founding peoples, a fact that this bill denies. That is why we cannot support it. These two founding peoples are the francophones and anglophones of this country.

I do not think that a single Liberal member would knowingly contest the fact that Canada was built by two founding peoples. This is what the Minister of Canadian Heritage is simply denying with this bill. That is why we are opposed to it.

I therefore urge the minister to recognize the two founding nations and to accept every amendment proposed by the hon. member for Rimouski—Témiscouata, which recognizes Quebec's identity, so that every motion should include the word "Quebec" or "the identity of Quebec". Otherwise, we cannot approve Bill C–53, as it denies an obvious reality in this country.

If I may, I would like to read from the report of a Canadian royal commission that was written a number of years ago. This is a rather long excerpt, but I will tell you afterwards when it was written and by which royal commission, and you will see that the problem goes back a long way.

• (1700)

Here is the excerpt. The dominant majority in politics—like the federal government and the anglophones—often takes its advantages for granted and does not appreciate the disadvantages suffered by the minority, especially when this minority enjoys or appears to enjoy some degree of cultural freedom. However, the minority, as long as it regards its collective life as an entity, may want control over it and look beyond cultural freedom. It then questions its political status. It feels that its future and cultural development are somewhat precarious and perhaps limited in a political environment dominated by the other group forming the majority. As a result, it leans towards greater constitutional autonomy. Ideally, the minority wants this autonomy for the whole community but, when this objective cannot be reached, it may focus its efforts on a narrower political stage where it would be in the majority.

We think about sovereignty. It is personal. This excerpt is from the 1967 Laurendeau–Dunton report on bilingualism and biculturalism.

The recognition of the French fact, of francophone minority rights goes back to at least 1967. One francophone and one anglophone on the same royal commission signed this report recognizing minority rights. It is therefore imperative to recognize these rights.

According to the brief submitted by the Société Saint–Jean–Baptiste, it is important to see how this conclusion has evolved over the years, how political parties have learned to live with the findings of the Royal Commission on Bilingualism and Biculturalism. I am talking about biculturalism and not multiculturalism.

Twenty–five years later, in 1991, another look at this issue of culture and the French fact in Quebec and Canada led to the following conclusion: The two levels of government also compete on the last element of the analysis, culture, resulting in overspending, conflict and inefficiency.

An hon. member: Come on.

Mr. Sauvageau: Sorry, Mr. Speaker, for going on and on about the French fact, but it is important to us, although you may be tired of hearing about it.

The federal government has played a major role in cultural life through several institutions: the National Archives, National Gallery, CBC, Canada Council for arts and research, National Film Board. Some fields of exclusive federal jurisdiction have major repercussions on Quebec's cultural sector, for example, in communications. Given the importance of culture to the development of Quebec's identity, we could not overemphasize the urgency of taking back jurisdiction in this field. Quebec must exercise exclusive jurisdiction in all areas related to culture and communications.

This conclusion comes from the report of the constitutional committee of the Liberal Party of Quebec, not the Parti Quebecois, but the Liberal Party of Quebec, in 1991, on page 32 of the report entitled "a Quebec that is free to make its own choices".

Twenty–five years later, we in Quebec have not deviated very far from the position that Quebec culture, to be well defended, must first of all exist and second be managed solely and exclusively in Quebec.

Does this date from 1967? No. Long before that, royal institutions recognized this distinction between the French fact and the English fact in North America. Let us review some constitutional history. In 1791, the Constitution Act recognized Upper and Lower Canada. Since 1791, a distinct society of French–speaking people in North America has been recognized.

Why did the crown agree to divide the territory then? To please the Loyalists? Why were the Napoleonic Code, the seigneurial system, the French fact and the Catholic religion recognized? Quite simply, because there was a distinct society in North America then. It still exists and it is found mainly in Quebec.

• (1705)

Later, in 1840, they tried to bury that minority with the Union Act. They tried to bury it when anglophones formed a majority. Following the Durham report, they thought that if the two colonies, Upper and Lower Canada, were joined, francophones would be in a minority situation and would quickly disappear. Therefore the problem of the French fact would be solved.

Luckily for us, we are still here to take care of ourselves. In 1867, we managed to create a province, Quebec, primarily to protect our rights. However, this bill would eliminate everything for which we fought in the past.

Throughout their history, francophones have preserved their distinct society in North America, and that must be clearly recognized. As my colleague mentioned earlier, a member of a group represented by the Société nationale des Québécois de l'Outaouais came to talk to us. He gave examples of how francophones were treated unfairly, here in this country. The financing of Radio–Canada is one such example.

As the Société nationale des Québécois de l'Outaouais said, "Radio–Canada is another example of cultural discrimination by the federal government. If the two languages and the two cultures are truly on an equal footing, and if Canada is bilingual and bicultural, the two networks should receive equal financing. Yet, the French language network receives 37 per cent, compared to 63 per cent for the English language network. To justify this discrepancy, the CRTC said, on January 21, 1994, when the TV licences of the Canadian Broadcasting Corporation were renewed, that if the allocation of money were based on demographics, the ratio would be three to one in favour of the English language network".

The figures support the CRTC decision to allocate 63 and 37 per cent respectively to the two networks. However, if you take the ratings into consideration, you will see that they are comparable. Radio–Canada is indeed treated unfairly.

I conclude with a quote from a great Quebec historian, Denis Monière, who submitted a brief to the committee. I trust I can quote him verbatim in the House. He said: "The establishment of the Department of Canadian Heritage, which is the most thorough and perverse Canadian imposture, follows the numerous attempts made since 1867 to deny the existence of a people which is distinct from the Canadian people and which refuses to be integrated into an alienating entity. This project reflects a Canadian cultural imperialism bent on eradicating Quebec's national identity and following a long tradition inspired by the Durham report. Since that report, all those who believed in a bicultural Canada were proven wrong by Canadian history, and misled French Canadians besides".

For all the reasons which I have tried to express without being put off, we oppose Bill C–53.

[*English*]

Mr. Pagtakhan: I rise on a point of order, Mr. Speaker. Earlier this afternoon the member for Calgary Southeast stated: "We have some of the same concerns expressed by the Liberals when they were in opposition. Let me remind you, Mr. Speaker, of some of their earlier criticisms. The member for Winnipeg North suggested that the foundation, referring to the Canadian Race Relations Foundation"—

The Deputy Speaker: This is a perfectly legitimate debate and there is time for the member to debate. From what I have heard thus far it is not a point of order. If the member wishes to debate he is perfectly free to sit down and rise again on debate. Is the hon. member for Winnipeg North on debate?

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Yes, Mr. Speaker. The member for Calgary Southeast said: "The member for Winnipeg North suggested that the foundation", referring to the Canadian Race Relations Foundation, "should not exist because the responsibility for the program should be accomplished elsewhere".

• (1710)

For the record of the House I would like to state that on May 29, 1990, to which the member was referring, I stated on page 12020 of *Hansard* with reference to the Canadian Race Relations Foundation:

> I support this bill, which is to contribute to the elimination of racism and all forms of racial discrimination in Canadian society.

On the following page I said again:

> I support this Canadian Race Relations Foundation based on the preamble that we will support and reaffirm our support for the international convention on the elimination of all forms of racial discrimination; that we will henceforth reaffirm our belief and support in the Canadian Charter of Rights and Freedoms; that the Canadian Multiculturalism Act would assume greater and greater meaning.

The record speaks for itself. What the member for Calgary Southeast did was not only take my statement out of context but misrepresented my statements. Therefore to me it was a dishonourable thing.

The Deputy Speaker: The Chair is having great difficulty. Having ruled that the member was not speaking on a point of order but on debate, the Chair therefore is hoisted on the same petard.

The hon. member for Calgary Southeast has already spoken on this matter and does not therefore have the right to speak further.

Mr. Hermanson: Mr. Speaker, on a point of order. The hon. member for Winnipeg North called my colleague a dishonourable member. I would ask that he withdraw that statement from the House.

The Deputy Speaker: I listened carefully to the hon. member for Winnipeg North and I think the member said that what was done was a dishonourable thing. The thing was dishonourable, not the member. Perhaps the member for Winnipeg North would like to clarify that.

Mr. Pagtakhan: Mr. Speaker, if I said dishonourable member, I would withdraw it. What she did in her speech was dishonourable.

Mr. Hermanson: Mr. Speaker, I would suggest that what the hon. member for Winnipeg North is insinuating is that the hon. member is dishonourable, and that is wrong. He can couch it in different words but he is actually referring to the member. I would ask that he withdraw that statement.

Mr. Pagtakhan: Mr. Speaker, never in my mind is the member dishonourable. I regret that she said it but the statement was made and it is with pain that I received the statement. Therefore, to that extent I would like you to consider that the statement lacks honour.

The Deputy Speaker: I wonder if the hon. whip of the government wishes to make any intervention on this matter.

Mr. Boudria: Mr. Speaker, I know that in the cut and thrust of debate we sometimes make references to one another which are unfortunate. I do believe that the hon. member meant that the statements were unacceptable. I hope it was not a reflection on the hon. member. I am sure she is most honourable, as all other members are.

The Deputy Speaker: It is virtually Christmas Eve. I am sorry we are reduced to this. We are obliged to call each other hon. members every time we refer to each other. Because that particular word is used so often in this House, I would invite the hon. member for Winnipeg North to reflect on what the effects of his comments here this afternoon have amounted to.

Mr. Pagtakhan: Mr. Speaker, I acknowledge that the member for Calgary Southeast is honourable.

The Deputy Speaker: Does the hon. House leader of the Reform Party have any further intervention?

Mr. Hermanson: Mr. Speaker, I thank the member for Winnipeg North for clarifying that for us. I appreciate it.

• (1715)

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 8.

[*Translation*]

All those in favour of the notion will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

[*English*]

The Deputy Speaker: Pursuant to Standing Order 76(1) a recorded division on the motion stands deferred. The recorded division will also apply to Motion No. 10.

Before proposing group No. 2, I must remind you that: Motions Nos. 11, 12, and 13 will be grouped for debate and voted on as follows: Motion No. 11 will be voted on separately. An affirmative vote on Motion No. 12 obviates the necessity of a question on Motion No. 13. A negative vote on Motion No. 12 necessitates the question being put on Motion No. 13.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ) moved:

Motion No. 11

That Bill C–53 be amended by deleting Clause 6.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

Motion No. 12

That Bill C–53, in Clause 7, be amended by deleting lines 11 to 13, on page 3.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ) moved:

Motion No. 13

That Bill C–53 be amended by deleting Clause 7.

[*English*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 12.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(1)(8) a recorded division on the Motion No. 12 stands deferred.

[*Translation*]

I will now propose the third group of motions.

Mr. Laurin: Mr. Speaker, we do not know whether we are voting on Motion No. 13 or Motion No. 14, because you started off saying it was Motion No. 13 standing in the name of Mrs. Tremblay, and now you mentioned Motion No. 14. Could we have some clarification?

The Deputy Speaker: It is pretty complicated, because in some cases we need to divide on one motion to apply the results to another.

• (1720)

[*English*]

When we get the result of Motion No. 12, we will then know what happens to Motion No. 13.

[*Translation*]

We will now proceed with the vote on Motion No. 14. I am sorry, but this is complicated for the Chair as well.

Mr. Laurin: Yes, but when do we vote on Motion No. 13?

The Deputy Speaker: After the vote on Motion No. 12.

Mr. Laurin: I see.

The Deputy Speaker: We will now proceed with the vote on Motion No. 14.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

Motion No. 14

That Bill C–53 be amended by deleting new Clause 8.

Motion No. 15

That Bill C–53 be amended by deleting new Clause 8.1.

Motion No. 16

That Bill C–53 be amended by deleting new Clause 8.2.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ) moved:

Motion No. 17

That Bill C–53 be amended by adding after new subclause 8.3(1) with the following:

"(1.1) The Minister shall, at least 60 days before the date on which the Minister fixes or increases a fee under section 8, 8.1 or 8.2, cause to be published in the *Canada Gazette* by such appropriate electronic or other means that the Treasury Board may authorize by regulation and in no fewer than two leading newspapers in each province a notice clearly indicating

(*a*) the products, services, rights, privileges, regulatory processes, approvals or use of facilities provided under these sections; and

(*b*) the fees to be fixed or increased pursuant to these sections."

The Deputy Speaker: The hon. member for Rimouski—Témiscouata on a point of order.

Mrs. Tremblay: Mr. Speaker, we were given a piece of paper which says: votes on Bill C–53. It says that after Motion No. 14, we would go on to Motion No. 20. You mentioned Motions Nos. 15, 16 and 17. According to this paper, we were supposed to go from Motion No. 14 to Motion No. 20.

The Deputy Speaker: Motions Nos. 14, 15, 16 and 17 have all been discussed. We will now vote on Motion No. 14. The results of the vote on Motion No. 14 will apply to Motions Nos. 15, 16, 18 and 19. Is that clear? Does the hon. member for Rimouski—Témiscouata agree?

Mrs. Tremblay: Yes.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

Motion No. 18

That Bill C–53 be amended by deleting new Clause 8.3.

Motion No. 19

That Bill C–53 be amended by deleting new Clause 8.4.

The Deputy Speaker: The question is on Motion No. 14 which will also apply to Motions Nos. 15, 16, 18 and 19. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(1)(8) a recorded division of the motion stands deferred.

• (1725)

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

Motion No. 20

That Bill C–53 be amended by adding after new Clause 8.4 the following new Clause:

"8.5 The Minister shall cause to be laid before each House of Parliament, not later than the fifth sitting day of that House after January 31 next following the end of each fiscal year, a report showing the operations of the Department for that fiscal year."

Motion No. 23

That Bill C–53 be amended by deleting Clause 33.

The Deputy Speaker: The question is on Motion No. 20. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(1)(8) a recorded division on the motion stands deferred.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ) moved:

Motion No. 22

That Bill C–53, in Clause 26, be amended by replacing lines 11 to 13, on page 9, with the following:

"by such committee of the House of Commons as may be designated or estab–".

The Deputy Speaker: The next question is on Motion No. 22. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(1)(8) a recorded division stands deferred.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ) moved:

Motion No. 24

That Bill C–53, in Clause 35, be amended by replacing line 22, on page 11, with the following:

"with the government of each province and the Minister of Canadian Heritage, shall".

Motion No. 25

That Bill C–53, in Clause 36, be amended by replacing line 31, on page 11, with the following:

"Minister after consultation with the government of each province and the Minister".

Motion No. 26

That Bill C–53, in Clause 37, be amended by replacing line 38, on page 11, with the following:

"ter after consultation with the government of each province and the Minister of".

Motion No. 27

That Bill C–53, in Clause 38, be amended by replacing line 8, on page 12, with the following:

"government of each province and the Minister, shall undertake a review of the pro–".

The Deputy Speaker: The next question is on Motion No. 24. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(1)(8) a recorded division on the motion stands deferred.

[*Translation*]

The House will now proceed to the taking of deferred divisions at the report stage of the bill now before the House.

Call in the members.

[*English*]

and the bells having rung:

The Deputy Speaker: The government whip has requested the matter be deferred until tomorrow at 10 a.m. Is it agreed?

Some hon. members: Agreed.

The Deputy Speaker: 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*]

ACCESS TO INFORMATION

The House resumed from November 17 consideration of the motion.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it certainly is gratifying to know that the spirit of Christmas has fallen upon this House. It was interesting listening to the debate this afternoon.

Earlier this year Information Commissioner John Grace included in his annual report 43 recommendations to close loopholes in the 10 year old Access to Information Act. Mr. Grace stated: "The first decade has shown that the government bent on secrecy can certainly diminish the effectiveness of the access law".

Mr. Grace goes on to say that he wants the new government to have the self–confidence to be scrutinized and the fortitude to be forthright.

Motion No. 304 gives the Liberal government that golden opportunity to take this first crucial step toward restoring Canada's faith. At the top of page 92 of the red book which starts by talking of initiatives to "restore the confidence in the institutions of government", it certainly seems like the Liberal government in the spirit of this motion would have to agree with Motion No. 304.

The information commissioner's recommendation No. 43 states that the access act be extended to all federal government institutions including special operating agencies, crown corporations and wholly owned subsidiaries, any institutions to which the federal government appoints a majority of governing body members, the Senate, the House of Commons, the Library of Parliament and all officers of Parliament.

During debate on motion 304 of November 17, I was listening very carefully to the member for St. Paul's. He made a couple of comments in his address to the House that I would like to repeat.

He said: "At the time of the act"—it was passed in 1982—"there was careful consideration to which institutions should be included in the coverage of the act and which should not". Later in his address he went on to say: "We cannot assume that these were frivolous decisions as to who was included and who was excluded". I thought to myself it was worthy of doing some research on. Was it carefully thought out?

We went to the Library of Parliament to see if we could find out some information about those debates and the reasons why some corporations were excluded and some were not. An article from the *Hill Times* printed March 17, 1994 is headed: "Parliament's exemption from information access act perplexing".

The reporter went back to the key people who were involved in the drafting of the act in the late 1970s and the early 1980s. Strangely enough, all of the people who were contacted said that they could not recall an actual reason for the exclusions. Then the reporter went back to the person who should really have all the information on this, the man responsible for drafting Bill C–43, Liberal minister Francis Fox. He was posed the question, why were these exemptions made? How did he respond? "You got me". That is what he said. He did not know.

We wanted to dig a little deeper into this. We went to Robert Auger, the Privy Council adviser to Mr. Fox and posed the same question. What was the reason for these exemptions? He said: "It is some kind of philosophical assumption that nobody questioned". Nobody has ever questioned this. That comes back to the debate of November 17 and the comments from the member for St. Paul's. I am certain that he did not intend to mislead this House.

Certainly the testimony I have presented today would indicate that there was not careful consideration at the time. At least we should ask questions and maybe even assume that some of these decisions were frivolous and without basis.

Crown corporations have not been open to public scrutiny and this continues to fuel the fire of voter cynicism. Canadians are demanding accountability. They want open government. Is there anything wrong with accountability and open government? It is high time that the government takes action.

Why are crown corporations exempt from the Access to Information Act? Let us look at a couple of them. In the case of the CBC and Atomic Energy of Canada Limited, there are concerns that competitors would be able to gain an advantage in their respective markets through access requests.

These crown corporations continue to exist because they are financed by the Canadian taxpayer, not because they are profit making players in the competitive marketplace. This is a pretty strong argument for wanting accountability and access to information on how these corporations are operated. The taxpayers want to know how their hard earned dollars are being spent. Provisions could be made that could protect commercially viable information. Therefore that argument is also put to rest.

• (1735)

There have been numerous examples of the need for public access to information on crown corporations. Earlier this year the National Arts Centre spent $250,000 on a proposal to submit an application for a performing arts television network. If it had not been for the Auditor General's report, Canadians would have been kept in the dark about this ridiculously expensive proposition. The Auditor General said: "The activities of and the expenses incurred for this broadcasting project are beyond the objects and powers of this corporation".

In addition the Auditor General obtained legal opinions supporting the view that a performing arts network was outside the NAC's mandate. If the National Arts Centre had not been exempt from access to information, a private citizen might have been able to come forward with this information, an elected official of the House, or maybe even a journalist would have easily exposed this ludicrous proposal before some $250,000 taxpayer dollars were spent needlessly.

Canadians currently pay for half of the NAC's annual operating budget of $40 million. Do they not have the right to ask certain questions about the operations? The Canadian Broadcasting Corporation is financed by Canadians to the tune of $1.1 billion, and yet it operates under the same veil of secrecy as the other crown corporations. Access to information would allow Canadians to question just how that $1.1 billion is spent. Canadians have the right to know.

Again I would remind the House that provisions could be made to protect the commercially viable information that needs to be protected.

According to CBC staffers, costs of production are kept secret, even within its own organization, to avoid jealousies among producers whose shows are given different budgets and to keep writers and others from knowing how little of the pie they actually receive. It is a shame.

Instead of going to Parliament the Auditor General's report on the CBC will be submitted to the CBC's board of directors and made public if and when the board sees fit. The true owners are being deprived of this information on the CBC. Who would they be? The people of Canada.

Access to information would eliminate this cat and mouse game. Again I would like to reiterate this because it is important. Provisions could be made to ensure commercially viable and valuable information would be protected.

Perhaps a crown corporation should file an access to information request just to find out for themselves what access to information really means. When information is kept secret, bureaucrats and politicians could be tempted to do things that they would not do if they were made public. The more information available to Canadians the better off the country will be.

I will give some more examples of the kinds of abuses that I am talking about. There have been abuses throughout history. Perhaps the most famous was that of the Aberdeen Marina, the Hong Kong club where Canada's foreign offices spent some $773,000 on memberships for 34 diplomats and family members. That was back in the early 1980s. Or maybe it was the so–called bridge to nowhere. Members may recall the $2.1 million structure erected in the riding of a federal Conservative cabinet minister. The only problem with the project was that the bridge when built was not connected to any road.

A more recent example, and we may never have the answer to this one, is much taxpayers paid to chauffeur, entertain and put Haitian leader Jean Bertrand Aristide in hotels during his recent six day visit to Ottawa in January.

• (1740)

A local Ottawa newspaper reported that it requested the information under access to information. It was refused by foreign affairs which claimed Aristide's hotel bill was too sensitive and could lead to squabbling among other foreign visitors because they may receive lesser treatment. Do the taxpayers of Canada not have the right to know this information? I think they do.

The Liberal government red book talks of initiatives to restore confidence in the institutions of government. Gosh, that sounds good. According to my research, the government should do so soon. It has an opportunity right now. Freedom of information builds faith like few other policies build faith in the Government of Canada. It slows the build–up of dirty laundry that a future government will only be too happy to wash.

My Liberal colleagues could well learn from the information commissioner's scathing criticism of the Mulroney government's attempt to put roadblocks in the way of citizens trying to find out about how the government made decisions and what those were.

The final piece of evidence that I have today is from a gentleman by the name of John G. McCamus who was involved as a witness in the second reading of Bill C–43 in 1980. He said: "As many critics of the bill have observed, there is one highly visible category of federal agencies which have not been included in the schedule—the federal crown corporations engaged in the supply of goods and services. The exclusion of commercial crown corporations from the access scheme is, in a word, indefensible".

In closing, Motion No. 304 is about openness and accountability. The government owes it to all Canadians to have the self–confidence to be scrutinized and the fortitude to be forth-

right. The passage of Motion No. 304 will help to regain the public confidence in this institution.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, it is always a privilege and an honour for me to represent the people in my riding of Shefford, who elected me in the last federal election and who expect a high degree of integrity from us.

It is my opinion that the Access to Information Act should be extended to all government institutions, as tabled in Motion No. 304 by the member for Red Deer. The purpose of this motion is to make the whole Canadian federal administration more accessible and open.

This transparency is necessary if we are to win back the confidence of the taxpayers, particularly in this period of economic austerity, when the federal government is preparing to make cuts in a multitude of social programs, when, at the same time, the heads of Crown agencies are getting rich on taxpayers' money and enjoying privileges beyond the reach of the average Canadian, and when this same government is making thousands of partisan appointments, with no public control.

Nevertheless, in his Speech from the Throne last January 18, the Prime Minister stated that integrity and public trust in the institutions of government were essential. In addition, he said, and I quote: "The Government is committed to enhancing the credibility of Parliament. Changes will be proposed to the rules of the House of Commons to provide Members of Parliament a greater opportunity to contribute to the development of public policy and legislation".

The time has now come for the federal government to table legislation designed to ensure that its institutions and Crown agencies excluded from the Access to Information Act are more transparent.

• (1745)

The Bloc Quebecois particularly wants to stress the need for federal institutions such as the Senate and Crown corporations to be transparent. The public should be able to scrutinize the actions of these bodies which are undemocratic because non–elected and more likely than not using taxpayers money.

For the sake of democracy and to make the current system more transparent, the Bloc Quebecois can only concur in the March 1987 report of the Standing Committee on Justice and the Solicitor General, which recommended that the Access to Information Act apply to all federal institutions, including administrative tribunals, the Senate and the House of Commons.

This committee recommended at the time that the Access to Information Act and the Privacy Act apply to all 53 parent Crown corporations and their 127 wholly owned subsidiaries. These corporations and their subsidiaries had assets tens of billions of dollars in assets over which the public has absolutely no control.

On the other hand, these recommendations did not apply to other corporations, including 140 subsidiaries that were not wholly owned by Crown corporations and 26 joint ventures and mixed enterprises, of which the capital stock is jointly held by the federal government and other levels of government or organizations.

The report of the Standing Committee on Justice and the Solicitor General states that there are certainly other entities with no capital stock for which the federal government has the right to appoint, directly or through a Crown corporation, one or more persons to the board of directors or similar body, with the public being systematically excluded from the process, except to foot the bill.

Canadians pay for all that. Therefore, they have a right to know. Since these are theoretically Crown corporations, the taxpayers of Quebec and Canada are entitled to and should know how these corporations are administered. That is why they must be subject to public scrutiny.

I would like to ask a question in this House: Why are some Crown corporations subject to the Access to Information Act while others are not, when they all receive public funds?

The burden of proof rests on the federal government. The Liberals—yes, the Liberals—must keep their word and restore trust in public institutions.

You will tell me that we all want to see positive changes and ensure that our political institutions and Crown corporations operate with honesty and integrity.

I know for a fact that these issues were raised by the Liberals when they were in opposition. Now that they are in power, I hope that some of them will remember the importance of making public institutions more open, accountable and honest.

Quebecers and Canadians have never been so disillusioned with federal institutions, public administration, politicians and the public sector.

The people must be able to trust those in power. Obviously, they have little confidence in the federal government, while the credibility of public institutions is steadily eroding.

This disaffection may be attributable to several factors: some elected officials committed indiscretions while others governed arrogantly, it must be said.

• (1750)

Citizens are unhappy because they are not really consulted, because their views are ignored, because public affairs are dealt with behind closed doors as soon as they become crucial.

Quebecers and the people in the rest of Canada are disappointed and unhappy with the poor quality of many public services, given government overspending and the tax burden imposed on them.

Although Quebecers and the people in the rest of Canada attach great importance to social programs and our democratic heritage, they are annoyed by the apparent confusion among the various public powers. Likewise, duplication in federal government services is unacceptable to all our taxpayers.

I agree with the essential part of the motion proposed by my colleague from Red Deer, that all publicly financed government institutions should be subject to the Access to Information Act.

[*English*]

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, everything to my hon. colleagues in the opposition, particularly in the third party, seems simple and very easily fixed. I suggest that this shows a lack of imagination and a lack of understanding of the complexity and sensitivity of much that we in government have to deal with.

My hon. colleague from Okanagan—Similkameen—Merritt leaves the impression that everything that is secret is somehow evil, that nothing which is personal or concerns individual Canadians is or should be confidential.

I would remind him that even public boards like boards of education and municipal councils at the local level deal with personnel, legal and property matters in camera and not in public.

However, I would like to congratulate the hon. member for Red Deer for putting this motion forward at a time when Canadians are losing trust in their political institutions, or were. All of us must be active in finding ways to promote more open and accountable government.

However, in searching out these various ways to promote more open and accountable government, we must recognize that our institutions face a variety of other challenges equally important to Canadians.

For example, Canadians want government to cost less, to be more efficient and to operate in a more business like manner. In come cases it may be necessary to balance the value of openness with these other values.

Although I find the objectives behind this motion laudable I cannot support this motion for three reasons. First, we must be concerned about the impact this motion will have on the competitive position of crown corporations. I do not say the impact is great or small, merely that before adopting this motion I would want to hear directly from those crown corporations on this issue.

Second, in times of fiscal restraint we must stop and ask what will this motion cost the taxpayers? How will those costs be paid? The fact is that processing access requests requires an access to information bureaucracy and costs money.

The third reason I cannot support this motion is that it fails to distinguish between different kinds of crown agencies and different institutions of Parliament.

The motion is too broadly worded and as such disagrees with the findings of the 1986 parliamentary committee report "Open and Shut" and with the most recent report of the information commissioner.

Returning to my first reason for opposing this motion, I am not convinced it has struck the proper balance between the competing values of open and accountable government on the one hand and smaller, more efficient government on the other.

The motion asks that crown agencies be subject to the scrutiny of the Access to Information Act. There are presently more than 130 crown agencies subject to the act. I assume that the hon. member means by crown agencies those crown agencies not yet subject to the act. In particular, I assume he is referring at least in part to crown corporations.

• (1755)

It is with respect, particularly to crown corporations, that the balance between efficient, competitive business like crown agencies and open, accountable enterprises becomes most important.

The basic question is whether crown corporations which have mandates to operate in a business like fashion, sometimes in competition with the private sector, should have to work under different rules than their competitors. If you believe that crown corporations should act like businesses, why would you impose a different set of rules on them?

If you believe crown corporations should not be competing with the private sector at all, that is a completely different question. Subjecting crown corporations to the scrutiny of the Access to Information Act will not terminate the crown corporations if that is your goal. It will simply make them less competitive, more expensive and less efficient.

I would not want to make a decision on the motion before the House until I know more about the implications. I am not prepared to support the motion at this time.

Another reason why I do not support this motion is that we do not have enough information about what the potential cost to the taxpayer will be. The fact is processing access requests costs taxpayers money. The most recent report of the information commissioner says that the annual cost of processing access requests is $20 million and that the current fees are not designed to recover costs, but merely to deter trivial requests.

Adding institutions to be covered by the Access to Information Act is saying that the government needs to spend more money. Where will this money come from? How much will it cost? Whatever it costs we know that it is a cost that private business does not have to incur and therefore will make crown corporations less competitive, at least to the extent of the cost of processing access requests.

I do not say that the cost of processing access requests cannot be justified. The information commissioner says that $20 million is a bargain for such an essential tool of public accountability. He may be right. All I am saying is that we should not adopt motions based on good intentions without first asking the basic questions of how much will it cost and who will pay.

Also, I am reluctant to support this motion because of the report of the parliamentary committee that examined the Access to Information Act in 1986. Its report is called "Open and Shut". That committee considered a broad range of entities which might be made subject to the Access to Information Act. It concluded that it would not be appropriate for all crown agencies to be made subject to the act. It thought a definition of crown corporation should be developed and should be limited to corporations in which the crown has a controlling interest and which provide goods or services to the public on a commercial basis. It thought there should be special exemptions for the Canadian Broadcasting Corporation, mentioned significantly by my hon. colleague, in relation to program material.

With respect to Parliament, the parliamentary committee was of the view that the offices of senators and members of the House of Commons should be excluded from scrutiny of the act. It said the relationship between such elected and appointed officials and the electorate is sometimes described as akin to solicitor–client privilege, and parliamentary privilege is involved. Therefore, the committee suggests their continued exclusion from the scope of the act.

The committee thought that the Access to Information Act should not apply to the judicial branch of government and therefore not to the Federal Court, tax court, Supreme Court of Canada. Perhaps surprisingly, the committee thought the act should apply to administrative tribunals which perform quasi–judicial functions.

The committee recognized that the federal government is involved in joint ventures with others, notably the provinces, and in those cases thought it would be best if there were negotiations with the provinces before making such joint ventures subject to the Access to Information Act.

Here we have a parliamentary committee that studied the issues very carefully.

• (1800)

The considered conclusion was that it would go too far to include all crown agencies and at least in the case of the CBC it saw merit in examining the special circumstances of crown corporations that would become subject to the act. It saw merit in excluding courts, MPs' offices and federal–provincial joint organizations.

I am not prepared to say that parliamentary committee was wrong in making these judgments. I think it goes too far to say in a sweeping statement that all of Parliament and all crown agencies should be subject to the Access to Information Act.

In conclusion, I support a comprehensive, careful review of the Access to Information Act and I will support amendments aimed at improving access to government information. I may well support extending the application of the Access to Information Act to crown agencies not yet covered by the act, but I cannot in all conscience support a motion that fails to distinguish between various kinds of crown agencies that might make the correspondence I receive from my constituents automatically subject to the act and that is voted on without hearing from executives of crown agencies not presently subject to the act.

I think the better approach is to take the Minister of Justice at his word that it is time for a review of the Access to Information Act. Let him draw upon all of the expertise we can acquire and use the full parliamentary procedures, including committee hearings, to produce the best set of amendments possible.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I would like to begin my remarks by saying that committee would decide many of those things which the hon. member has just talked about.

I am sure he, as a fine parliamentarian, is also aware that a private member cannot initiate a motion or a private member's bill which is going to cost the government more money. Therefore, I think it would be appropriate for the member to make sure that he gets on the record at some point that he well knows what the purpose, plan and policy of private member's motions and bills is.

I would like to make a few comments about Motion M–304 which my friend from Red Deer brought in. I think it is excellent, quite frankly, because the government has said it was going to do all kinds of things with access to information but here we are well over the one year birthday and precious little has happened again in that vein.

Let me just refresh your memory, Mr. Speaker. I do not know where you were on July 11 but I was in the bush in Beaver River having a wonderful time getting some rest and relaxation. I do not get the Ottawa *Citizen* out there nor do I get Canada's national newspaper, the *Globe and Mail*. Nonetheless, let me

look at some of the things that were going on while you and I were away from these hallowed halls on July 11.

The Ottawa *Citizen*, July 11 stated: "Justice Minister Allan Rock is promising an overhaul of the federal Access to Information Act so it is more in line with public expectations of openness in government". We have read about openness in government in the red book and in any number of places. He thinks it is now out of date, very much in need of an overhaul. My friend just suggested that it certainly is in need of an overhaul, but when? When are we going to see any changes in this thing? We have been promised all kinds of legislation. We have had take note debates on just about every subject we could dream of and yet there is no action.

We have been in the House now almost a year in this new session and we have seen precious little come forward in terms of tangible, get your teeth into it kind of legislation.

Mrs. Brushett: You cannot keep up with the action.

Miss Grey: Mr. Speaker, the hon. member across might be surprised at how I could keep up to the action.

The justice minister says the present act reflects the state of the art as of the mid–1970s. We are not in the 1990s. Before he gets it together, dear knows, we will be into the next century and into the 2000s, I am not sure how we will say that. However, he says people's expectations of government are different. There is a need for more openness. For heaven's sake, that is absolutely right, the Ottawa *Citizen* is bang on.

There is a word here that is going to go through my comments over and over again, a motif, and that is the word secrecy. If anything would disgust the Canadian public it is a government that sits in here and does not talk about secrecy but acts secrecy. That is really frustrating for people.

• (1805)

Members of this House are all aware of the need for accurate, complete and timely information. The Access to Information Act which was brought in on July 1, 1983 talked about openness and making sure that people had access to some information if they really needed it, not just for fun. It is time consuming for people to dig up information as well as expensive because you are paying people to dig up that information. The bottom line on that is what is the cost if we do not do it?

If we ignore access to information, if we do not go ahead and process people's requests and have them accessible to the information that they really need, that people are demanding, what is the cost if we do not do it?

I think there are some long term costs there that the hon. member might think about, especially when he is campaigning in the next election.

We take this as a right of the Canadian people. Along with rights that we all have come responsibilities. We as parliamentarians have responsibilities to the Canadian public, after all it is paying our cheques.

Many companies, crown corporations, the Gentleman Usher of the Black Rod, cabinet ministers' expenses, if the public is paying the bills, why should it not have some of this information at its fingertips? It seems ludicrous to me that we would say sorry, there are certain parts of the act that are exempt and so we do not have to tell you.

If anything is going to frustrate people—and on a school board as well, as my hon. friend mentioned earlier—if anything frustrates the parent teacher association it is going to a meeting and demanding that they look at the minutes, because they are paying those bills too. When I was participating with school boards in my teaching career it would be ridiculous for people involved in the school system to say we do not think you should have access to that information.

I taught in a small school in a small town and nothing would run you out of town faster than a parent teacher association or the parent advisory council saying "what do you mean, you are not going to tell us? We are paying your salary and you had better let us know some of this information".

There should be few state secrets at any level.

Speaking of secrecy, in the *Times Colonist* from November 17, 1994, very fresh, a few weeks ago, the title of an article was "Weak Government's Lapse into Secrecy". Freedom of information works great when things are going well for government but it is a different story when the going gets tough. That is for sure.

This person says government information in the electronic age should be preserved as a national resource. Government should help people gain access to it and should be held in easily obtainable form. In other words, people should be able to have access to this with computers and the electronic highway and everything else that we have. There should be absolutely no reason for secrecy.

The *Ottawa Citizen* on January 22, 1994 said that not only is it so secretive but that once you do crack through on that on access to information, if you are going to get any information out of it, it is slower than molasses in January, when this article was written. This person says that one of the most common complaints about access to information is that it is slow and getting slower. If there is anything we need in this bureaucracy it is not slow and getting slower. That is for sure.

Ten years ago almost 79 per cent of requests were completed in 30 days or less, while 6.3 per cent took more than 60 days. Now only 57.5 per cent are completed in 30 days and 21.4 per cent take longer than 60 days. This looks vaguely familiar, what

I see every day across the way, a government that says it is bringing in legislation on this and that and the next thing.

I have been tallying what was an actual government sponsored, initiated, carried through to fruition bill in this House. It was not something from Kim Campbell that was held over and was going to be updated and change the name of departments and move ahead with this and that. The Tobacco Smuggling Act was something that this government could take credit for because it started it, carried through and finished it, whether it was good or bad is immaterial. Everything else was something left over.

"Public information, political property", from the *Globe and Mail*, Canada's national newspaper, July 5, 1994, when we were out of the House again. Public information, should it be public property? Of course. Is it? No. It belongs to the government and it keeps its claws and talons right into it. Heaven help anyone who tries to find out anything. From Toronto *Star* last January 29: "This law errs on the side of secrecy. When you get into thorny areas, it gets very cumbersome".

• (1810)

If there are people who are finding this tedious, perhaps they could mention this to the hon. justice minister and he could perhaps get something through here. I would hate to think we were keeping anyone up.

In 1983 the Liberals were the government and I was not here. The Toronto *Star* says: "When the act was passed 33 statutes were exempted, cabinet discussions and tax information, for example, under section 24".

Under the Conservative government in 1986 the Liberals were here too: "In 1986 a parliamentary justice committee said section 24 should be repealed because it was undemocratic". Imagine such a thing in this institution.

Let me finish by reading an article from November 18, just a few weeks ago. This was from the Ottawa *Citizen*: "Canadians don't enjoy an open and accountable federal government". It could not have been a Liberal that wrote that article surely, because they have told us for months now that they have an open and accountable government: "Instead they are saddled with a bureaucratic culture only marginally less secretive than a decade ago", we know who was in power a decade ago, "when the principle of access to information held by government was first enshrined in a new federal law".

I do not want anyone to think we are making light of this, surely. Only some of the faces are a little different over there and you and I looked at them all in the last Parliament, Mr. Speaker. Unfortunately it seems many of those faces are the same. The names have changed. If anything shrouds this piece of legislation which has been in place for years now, if anything is going to send us on our Christmas recess and make it look like this place has not changed a bit, it is if this government is not really committed to changing the Access to Information Act.

We welcome real, substantive changes to that. We look forward to 1995 and hope that we have far more substantive legislation in place that we can support.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, it is a pleasure for me to speak on the motion from the member for Red Deer, since the very essence of this motion is in line with what the Bloc Quebecois has been asking for and I should say that it is also what my constituents in Chicoutimi expect.

The objectives of the Bloc and the official opposition are clear and precise. We want greater transparency and openness in the management of public affairs and respect for the taxpayers' acquired right to know what the government is doing with public funds.

This motion says that Parliament and crown agencies should be subject to scrutiny under the Access to Information Act. At present, the Access to Information Act, passed in 1982, gives access only to federal government documents. Under this law, therefore, government institutions must make their documents available.

Nevertheless, there are exceptions. Some of the 112 federal crown corporations and several government agencies, including the House of Commons, the Senate, the Library of Parliament and officers of Parliament are not subject to this law.

The Bloc Quebecois believes that the Access to Information Act must be extended to any government institution financed with public funds. In a democratic system like ours, public affairs must be run as openly as possible. That is what our constituents want. Openness, yes, but it is a word which frightens my colleagues opposite.

• (1815)

We see it in the way they have run the affairs of state for a little over a year. Need we mind you of their reticence and great lack of openness on many issues? First, on Bill C–52, concerning the Department of Public Works and Government Services, the Liberal government persists in blocking any amendment which would make this department's awarding of government contracts more open. It is hard for members of this Parliament to obtain relevant information on their riding from this department.

Members of Parliament are the last to find out about the reorganizations going on in their riding. In Chicoutimi, a reorganization of post offices was announced to the public after the fact. Moreover, firms of consulting engineers or architects were never told why they could not bid on certain contracts.

A public inquiry might shed some light on how these contracts are awarded, but I imagine they are reserved for friends of the regime. You will also remember this whole episode when the Minister of Canadian Heritage wrote to the CRTC about an application. Some said it was a lack of ethics, others talked about a lack of transparency, while others concluded that it was patronage. The government did not follow the principle of transparency, and was caught in the act. It is Bloc Quebecois members who dared to reveal that the Minister of Canadian Heritage got personally involved in issuing a broadcasting licence.

And the Prime Minister did not even take any sanction against that minister, who had intervened. The Prime Minister even had the nerve to excuse his minister by saying that other Cabinet members had also been involved in similar patronage activities. The government also objected to the bill on public financing for political parties. That speaks volumes about their desire to ensure transparency. Past experience tells us that the main financial backers of political parties are usually the ones who get lucrative government contracts. These people are called friends of the regime.

Then there are the reports of the Security Intelligence Review Committee, which are submitted to the Solicitor General. However, the solicitor refuses to let the parliamentary subcommittee on national security have access to these documents. Why was that subcommittee set up if it cannot have access to the reports tabled by the agency responsible for monitoring intelligence activity?

Given this lack of transparency, which is becoming more and more prevalent, the Access to Information Act remains one of the only means for elected members of this House, and Canadian taxpayers, to obtain information on the operations of departments and government agencies, including crown corporations.

Thanks to that act, MPs were able to have access to the findings contained in a SIRC report. SIRC concluded that the inquiries conducted by one of the branches of CSIS are not related to threats to Canada's security, as defined in the act but, rather, to threats to the security of private businesses. In conducting such inquiries, CSIS duplicates the operations of the federal and provincial police forces.

• (1820)

As my colleague from Bellechasse pointed out a few days ago in this House, it is unfortunate that parliamentarians are the last ones to be informed of such allegations. Without the Access to Information Act, this government would not reveal anything, either to the official opposition or the citizens of this country.

This time around, the government cannot deny the public its right to scrutinize the management of public affairs, which are financed in large part through the taxes it pays.

The Bloc Quebecois supports the objective of making the whole federal administration accessible and transparent, for the sake of fairness and equity.

We have been elected by our fellow citizens; our mandate is to report to them on the activities and functions of the public administration.

Moreover, the Access to Information Act should also apply to the Senate, an institution which is appointed, not elected.

However, the act should not apply to government agencies and crown corporations which hold confidential information for the purpose of competition, insofar as that information is concerned, but the act should apply to them in the case of general information such as expenditures, budgets, trade practices and personnel management.

In view of the many examples I have just listed, the Bloc Quebecois will vote in favour of this motion since it promotes more transparency. Let us hope that our friends opposite will know enough to take advantage of this opportunity.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, it gives me pleasure to rise and speak in support of the motion in the name of the hon. member for Red Deer which reads:

> That, in the opinion of this House, the Parliament and Crown Agencies should be subject to scrutiny under the Access to Information Act.

This is a timely motion. Yesterday afternoon I attended the public accounts committee of which I am a member and regularly attend. We have been having problems getting some information from the government regarding a $2 billion loss this country has suffered. The taxpayers are out $2 billion and we have been trying to find out who actually caused the loss. Was it the Ministry of National Revenue? Was it the Minister of Finance, or was it the Department of Justice?

Officials were in front of the committee and we were trying to determine who was responsible. Was it bad advice from lawyers? Was it bad decision making by revenue and finance?

When the Minister of National Revenue was in front of the committee he gave a complete and detailed report. He said that the public accounts committee had every right to read the legal opinions which had been obtained from the Solicitor General's department on a particular case but we were not getting them. He was prepared to say we had every right to have them but as far as he was concerned we were not getting them.

Now we are debating access to information. I think access to information is a fundamental part which goes to the very heart of democracy. We on behalf of the taxpayers should know and have every right to know. When the taxpayers lose $2 billion they have every right to know who made the mistake. Therefore,

access to information is more fundamental than most people think.

Think of other situations. A couple of months ago we were all distressed to find out that the Commissioner of Official Languages was driving back and forth between Ottawa and Montreal in a chauffeured limousine courtesy of the federal government, just because he would rather live in Montreal than in Ottawa.

Access to information would help us to find those things out earlier. It is the taxpayers' money. Not only is he being driven in a chauffeured limousine between Ottawa and Montreal because he likes to live in Montreal but works in Ottawa, but we have also given him an apartment that I think costs $15,600. We are paying that because he likes to live in Montreal but his job is in Ottawa and he needs a place to hang his hat while he is here. We find these things out.

• (1825)

The chairman of CN Rail needed a place to hang his hat too so he got a $300,000 interest free loan from CN. Who owns CN? The taxpayers. Does CN make a big profit? CN is subsidized. There is a major loss of millions of dollars of taxpayers' money but the chairman said: "I am worth it. I do a good job for this organization. I need and should have a $300,000 interest free loan in order for me to do my job better".

I am sure many taxpayers would agree with the idea that they could do their job better if they had an interest free loan of $300,000 but they cannot have it. There is a Liberal member over there who suggests that perhaps he could also do his job better if he had a $300,000 interest free loan. Only one, his seatmate, disagrees but that is by the way.

The point we are trying to make is that if we had the information, people would be a lot more careful about the way they spend taxpayers' money than they do. If it is secret they do not have to answer to anybody; just keep it under the table and everything will be fine.

I looked at the Access to Information Act. I opened it up and looked at section 13. The subject in subsection 2 is that the head of a government institution shall refuse to disclose any record. This is the Access to Information Act. I thought that must be an aberration. Section 13 deals with information obtained in confidence, but that is okay. He could perhaps refuse that one.

How about federal–provincial affairs under section 14? The head of a government institution may refuse to disclose any record requested under this act. How about section 15, international affairs and defence? The head of a government institution may refuse to disclose any record requested under this act.

On it goes. Under section 16 on law enforcement and investigation, the head of a government institution may refuse to disclose any record requested under the act. In section 17 concerning the safety of individuals, again may refuse to disclose.

By the time we get through to section 24 we get to statutory prohibitions. Virtually every document is protected and not open to information, to scrutiny, nor to the taxpayers who pay millions of dollars for this organization. The House of Commons has a budget of $243 million. That does not include the Senate. That is for here. Think of the mountains of paper we produce, all secret.

The Reform Party in the last election said to cut $300 million or $400 million out of subsidies to crown corporations. That gives an idea of how much money they are losing. It is in the billions every year and nobody has the right to find out how they are losing the money, what kind of service they are producing, or anything along those lines.

Surely the taxpayer who is footing the bill has the right to know. That is all we are asking. It is not very much. They are forking out about 40 per cent of their income every year in income taxes and it is all secret. The government denies them access. It does not get back to them to say what it is doing with their money.

The honourable thing to do would be for the government to support the motion. The member for Red Deer put this motion forward seriously thinking that we would take note of the fact that Canadians need to know and want to know and government will work a lot better if they do know.

• (1830)

[*Translation*]

The Deputy Speaker: The time provided for Private Members' Business has now expired.

[*English*]

Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

FISHERIES

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, do you want me to start right now? It is not on MIL Davie but on fisheries.

Excuse my English. I was just trying to maintain a good relationship with my colleagues. I hope the people will forgive me. I want to reassure French speaking Canadians, I am not

being assimilated. I was just practising my English. After all, at least 15 per cent of my constituents are English.

I am pleased to rise this evening to address a question I have asked in this House concerning the repatriation of fisheries management. This question was put to the Minister of Fisheries on December 6. As usual, I was not satisfied with the answer and, therefore, intend to ask the question again this evening.

On November 16, I asked the Minister of Fisheries and Oceans whether or not he intended to make changes to administrative responsibilities regarding fisheries, as requested by the Quebec fisheries minister at the federal–provincial conference of fisheries ministers held in Victoria on November 1.

I also asked the minister if he intended do comply to this request along the lines of what Quebec is asking for.

The minister's answer was very clear. On November 16, the Minister of Fisheries and Oceans indicated that he had been asked this question by several provinces weeks or even months earlier.

The minister understood the demands made by the provinces in order to improve administration of this resource and to eliminate unnecessary overlap in the fisheries sector.

Indeed, Quebec had reached this conclusion several decades earlier. Unfortunately, since another Liberal government was in power at the time, in 1983–84, it decided to repatriate management. Today, in 1994, we still have to enter into negotiations merely to recover what was taken from us.

The minister went on to say that he intended to respond directly to reorganizing the fisheries sector and that he looked forward to continued good dialogue and discussion with all of the provinces. He even added, "including Quebec". You will understand why I was anxious. Finally, we had someone who was willing to take action.

I raised the matter again on December 6. At that time, I asked the minister why he had not responded to the request from the Quebec government, because the Quebec government had expressed, through a letter, its desire to make official the claims that had been made at the federal–provincial conference.

The minister responded to me in a way that I would qualify as boastful. I expected something else from a minister. He said that it was a shocking thing that fully 35 days had passed. But when a minister is getting ready to table a fisheries plan that will affect all the Atlantic provinces, I think that 35 days is a long wait.

Thirty–five days of silence, it is a long time, when Quebec is putting forward a serious and important proposal, asking the minister to start the negotiations.

My message is: Does the minister intend to table in this House a planned schedule for meeting with his provincial counterparts, and to inform the population of Quebec and Canada of it?

He has been a minister for 14 months now, and nothing is happening. All I am asking him is: Does he have a plan, an agenda to meet with his counterparts from Newfoundland, Quebec and British Columbia?

• (1835)

[*English*]

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, I agree with the hon. member for Gaspé that the issues raised by Minister Landry are serious and require careful consideration.

He should also know that the whole question of federal and provincial roles and responsibilities and the management of marine fisheries is of key concern to the Minister of Fisheries and Oceans.

Far from ignoring the Quebec government's proposal I can assure my hon. colleague that the questions raised by Quebec are being carefully analysed. I do not believe that the hon. member would expect an immediate response to a proposal that calls for a fundamental restructuring of federal and provincial roles and responsibilities in the marine fishery.

I understand that the Quebec government is seeking increased responsibilities in marine fisheries management and has devoted a great deal of energy to formulate its proposal. However, given the multilateral nature of the Atlantic fishery and the federal government's responsibility to ensure the conservation of the resource, I believe that his request needs to be addressed in the context of multilateral discussions of fisheries.

For example, it is essential that we strive to reach a federal–provincial consensus on historic shares that will meet the needs of all stakeholders before we can move on to consider specific proposals.

The Minister of Fisheries and Oceans has also indicated that in order to consolidate the views of all stakeholders on licensing reform and processing capacity reduction he will be launching an Atlantic round table in early 1995.

I trust that this series of round table consultations will offer an opportunity to the Quebec government as well as to the other Atlantic provinces to play a constructive role in the design of the fishery of the future.

Finally, I would like to respond to the comments made to the Quebec government regarding overlap and duplication in federal and provincial programs and services. As part of the government wide program review exercised, the Department of

Fisheries and Oceans has undertaken a thorough review of its programs with a view to maximizing efficiencies and eliminating costly duplications.

Extensive consultations have led to the establishment of important co–operative agreements in the fisheries sector which demonstrate that federal and provincial fisheries programs can harmonize without putting at risk local interests with tangible benefits to taxpayers and clients.

The Ministry of Fisheries and Oceans remains firmly committed to the path we embarked on some months ago which is designed to achieve new efficiencies and forge new and productive partnerships of all the stakeholders in the fishery.

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, on November 24, I asked the Minister of Citizenship and Immigration a question on an order to deport Mrs. Thérèse Sabadin and her two children to the Seychelles. Mrs. Sabadin had suffered physical violence and had received death threats from her husband, who was convicted and subsequently deported to the Seychelles.

Although this was a very sad case, Mrs. Sabadin was deported with her two children to Barbados and then sent back to Canada. This involuntary trip was very expensive for Mrs. Sabadin.

Finally, as a result of numerous representations by the Bloc Quebecois and several women's organizations, the minister agreed to allow Mrs. Sabadin's application for permanent residence to be processed in Canada.

Mrs. Sabadin now has to wait several months before she can get a ministerial permit. Until then, she will have no status in this country and will not be able to work. Without official papers, she will also have trouble obtaining social assistance and will have to wait at least a year before she can get permanent residence status. To apply, Mrs. Sabadin had to pay $700, which she did not have, in administrative costs. She had already paid $650 for her initial application. Action réfugiés Montréal, a community organization, paid the fee on her behalf.

In this House, I have often criticized these fees as arbitrary and unfair. Recently, even the Liberal member for Winnipeg North was critical of this abuse of people in need by the Department of Immigration.

I would ask the minister to be more sensitive to the plight of women who claim refugee status on the grounds of fear of persecution because of their gender.

It is now ten days until Christmas and two weeks before the end of 1994, and I want to take this opportunity to send my best wishes to my constituents in Montreal North, especially those of ethnic origin, the Italians, Haitians, Arabs, Latin Americans, and so forth.

• (1840)

I also want to send my best wishes for health, happiness and peace to all new Quebecers and new Canadians. Despite the feelings of hostility that are apparent in some sectors of public opinion, I believe that most people still support immigration and opening our doors to refugees fleeing persecution. To the thousands of immigrants and refugees in Canada and Quebec, I want to send a message of support, understanding, solidarity and hope.

[*English*]

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, the Minister of Citizenship and Immigration confirmed for the hon. member on November 24 in this House that this case was being reviewed by immigration officials.

The minister had previously advised a colleague of the hon. member on November 17 that immigration officials conduct an additional review in cases where there may be new information that may or might alter a decision to remove a person.

Such reviews may be conducted when in keeping with the authority delegated by the minister to managers, a manager of a Canada immigration centre determines that there might be additional information.

In this particular case a manager in the CIC in Montreal granted a two week reprieve in this case to give the individual an opportunity for further review.

I am pleased to advise the hon. member that the additional review has been completed and immigration officials have determined that the individual and her children should be allowed to remain on humanitarian and compassionate grounds. The individual and her counsel have been advised of this decision.

[*Translation*]

The Deputy Speaker: Since the hon. member for Châteauguay has to leave immediately, we will hear the hon. member for Chambly.

CUSTOMS BROKERS

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, in reply to two questions I recently asked in this House about the new regulations increasing bonds to be posted by customs brokers, the Minister of National Revenue referred me to the Canadian Association of Customs Brokers which seemingly supported his approach in this matter.

First of all, let me say to the minister that the picture is somewhat different from what he told us then. On November 24, the association held a meeting where 883 members gave their opinion on the advisability of these new regulations. The results of the vote were 803 against the regulations, 74 in favour and 6 abstentions. Because larger brokerage firms have multiple vot-

ing rights, the final result was 135 against the regulations, 141 in favour and 7 abstentions.

A study conducted by Brian Hull and Associates, a well-known economist from Ottawa, for the coalition of small and medium size brokers, shows that the new regulations unduly favour the larger brokerage firms. If they were to be subjected to the same standards as smaller brokers, they would see their security bill jump $1 million in one case, and between $150,000 and $180,000 in other cases, while they now pay only $30,000 for a maximum security of $10 million.

We can see the advantage given to these larger brokerage firms by this new administrative policy. Does the minister know that small and medium size brokers, those who broker 20,000 imports or less per year create 2,500 direct jobs in Canada and that their disappearance by a stroke of his pen would have a dramatic effect?

Does the minister know that with these new standards only 19 brokers would remain in Canada thanks to the privilege he would be giving them by instituting a ceiling of $10 million for the security they must post.

Let me quote the conclusions of Mr. Hull's study.

[*English*]

The effect of this new ruling by Revenue Canada for account security and the disproportionate burden of its impact as between large and small firms is to place the Government of Canada in violation of the basic principles of conduct on which the Competition Act of Canada is founded.

• (1845)

The effect of the new formula is to, first, impede the efficiency and adaptability of the Canadian economy; second, restrict opportunities for Canadian competition in global markets, while discriminating on behalf of foreign competition; third, seriously impede the opportunity for small and medium sized enterprises to participate in the Canadian economy; and, fourth, to reduce the choice of competitive prices and services available to Canadians.

[*Translation*]

A $10 million security on a monthly invoice of $250 million is only 4 per cent, while a $1.8 million security for smaller brokers is 100 per cent of their monthly invoice.

Does the minister, who is trying so hard to protect importers, realize that large brokerage firms are just as likely as small ones to go bankrupt? I would even go so far as to say that large diversified companies, with interests in transportation, storage, handling, run a higher risk. Take real estate development, for example, Campeau Corporation, the Reichman brothers and others went under before all the smaller companies disappeared. In the insurance business, did some large companies not go bankrupt before many small ones?

If the minister is really committed to protecting the public, here is my suggestion: First, he should go back to the formula where everyone had ten days to pay duties and taxes, the way it is in the United States and the way it was in Canada before these interim payments, which are at the root of all our problems, were instituted. He should keep security at 100 per cent of monthly billings and make all brokers, large and small, equally responsible.

[*English*]

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, the department is considering increasing the security requirement for obtaining release prior to payment of duties and taxes to 100 per cent of the average monthly invoice up to a maximum of $10 million. This action is being considered in direct response to the number of cases where brokers fail to deliver to Revenue Canada funds received from their clients, the importers.

Since importers remain liable, they have had to pay a second time to the department. As most brokers' clients are small businesses the department needs to ensure increased security to protect them and the jobs of the more than one million Canadians they employ.

Extensive consultations have been undertaken with the Canadian Society of Customs Brokers that negotiated a master bond program to make it easier for their members to meet the new security requirements. Discussions have also been undertaken with the Canadian Importers Association. Whatever is decided I do not believe any financially viable broker will be forced out of business.

Brokers are already provided with the flexibility to arrange for some of their clients to post their own security or to deliver interim payments to the department. Although many brokers have few assets in their companies they may also restructure their financial arrangements by using personal assets to obtain security.

A recent enhancement has been discussed that would assist both brokers and importers in obtaining security. The requirements for importers posting their own security, whether or not they use a broker, would be based on an amount equivalent to the duties and taxes payable on a monthly basis, less the goods and services tax.

This enhancement could make it easier for brokers to arrange for some clients to obtain security and enable them to protect the remainder of their clients from the consequences of default. As well, the cost of doing business for most of the 8,000 importers who deal directly with the department would not increase.

In conclusion, this enhancement is being discussed with the Canadian Importers Association and the Canadian Society of Customs Brokers, both of whom are contributing positively to resolving this issue.

[*Translation*]

The Deputy Speaker: Before we adjourn this evening, I would like to say a few words on a more personal note.

[*English*]

Chief senior page, André Frechette, has now worked most capably in the House for forty–two and a half years. Imagine, forty–two and a half years of putting up with members of Parliament.

Tomorrow our Speaker will, I believe, pay tribute to Mr. Frechette and his long years of capable service to the House. Unfortunately I cannot be here and I would like to do so now. Can you imagine how many thousands of services Mr. Frechette has done for so many hundreds of members over those many years? We are all deeply in your debt, sir.

[*Translation*]

Mr. Plamondon: Mr. Speaker, all of us in the Bloc Quebecois wish to join you in extending our best wishes to Mr. Fréchette on his retirement and say how much we have appreciated his work here in the House. I have had that privilege for the past ten years, and I want to say that although we will miss you very much, you truly deserve a wonderful retirement.

[*English*]

The Deputy Speaker: Pursuant to Standing Order 38(5), a motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 6.50 p.m.)

HOUSE OF COMMONS

Thursday, December 15, 1994

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

MOTIONS FOR PAPERS

The Speaker: It being 10 a.m., pursuant to order made Wednesday, December 14, the House will now proceed to the taking of the deferred division on Motion P–3 for the production of papers in the name of the hon. member for Perth—Wellington—Waterloo.

Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 148*)

YEAS

Members

Ablonczy
Allmand
Anawak
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bertrand
Bhaduria
Blondin–Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Bélair
Campbell
Chamberlain
Chatters
Copps
Crawford
Cummins
DeVillers
Dingwall
Dromisky
Duncan
Eggleton
Fewchuk
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West)
Grose
Guarnieri
Adams
Althouse
Anderson
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Berger
Bethel
Blaikie
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Catterall
Chan
Chrétien (Saint–Maurice)
Cowling
Culbert
de Jong
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Grubel
Hanger
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Manning
Marleau
Massé
McClelland (Edmonton Southwest)
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mills (Red Deer)
Murphy
O'Brien
Ouellet
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Proud
Reed
Richardson
Ringma
Schmidt
Shepherd
Speller
Steckle
Stewart (Northumberland)
Strahl
Taylor
Thalheimer
Tobin
Ur
Vanclief
Volpe
Wappel
Whelan
Wood
Zed—185
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Loney
MacDonald
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
Mayfield
McGuire
McLaughlin
McTeague
Meredith
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Pagtakhan
Patry
Penson
Peters
Phinney
Pillitteri
Ramsay
Regan
Rideout
Rock
Serré
Silye
St. Denis
Stewart (Brant)
Stinson
Szabo
Telegdi
Thompson
Torsney
Valeri
Verran
Walker
Wells
Williams
Young

NAYS

Members

Asselin
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bachand
Bernier (Gaspé)
Brien

Bélisle
Caron
Dalphond–Guiral
de Savoye
Dumas
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Lefebvre
Loubier
Mercier
Nunez
Picard (Drummond)
Rocheleau
St–Laurent
Canuel
Chrétien (Frontenac)
Debien
Deshaies
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
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PAIRED MEMBERS

Bevilacqua
Clancy
Dubé
Lalonde
Bouchard
Crête
Dupuy
LeBlanc (Cape/Cap Breton Highlands—Canso)

• (1030)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF CANADIAN HERITAGE ACT

The House resumed from December 14 consideration of Bill C–53, an act to establish the Department of Canadian Heritage and to amend and repeal certain other acts, as reported (with amendments) from the committee.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(5)(a) the House will now proceed to the taking of the deferred divisions on report stage of Bill C–53, an act to establish the Department of Canadian Heritage and to amend and repeal certain other acts.

The first question is on Motion No. 8 The vote on Motion No. 8 also applies to Motion No. 10.

[*Translation*]

An affirmative vote on Motion No. 8 obviates the necessity of the question being put on Motions Nos. 1, 2, 3, 4, 5, 6, 7, 9 and 21. A negative vote on Motion No. 8 necessitates the question being put on Motions Nos. 1, 2, 3, 4, 5, 6 and 7. The vote on Motion No. 1 also applies to Motion No. 9.

[*English*]

The vote on Motion No. 5 also applies to Motion No. 21.

[*Translation*]

The vote is on Motion No. 8, standing in the name of the hon. member for Rimouski—Témiscouata.

[*English*]

Mr. Boudria: Madam Speaker, I think you will find unanimous consent to apply the vote just taken on Motion No. P–3 to the motion now before the House in reverse.

Mr. Lee: Madam Speaker, I am certainly prepared to give my consent to this. In the last vote I was present but did not vote. I would ask that the record show that I abstained from voting on the last motion. I am certainly present for this vote and will vote with my caucus.

The Acting Speaker (Mrs. Maheu): Does the hon. member have unanimous consent?

Some hon. members: Agreed.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 149*)

YEAS

Members

Asselin
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bélisle
Caron
Dalphond–Guiral
de Savoye
Dumas
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Lefebvre
Loubier
Mercier
Nunez
Picard (Drummond)
Rocheleau
St–Laurent
Bachand
Bernier (Gaspé)
Brien
Canuel
Chrétien (Frontenac)
Debien
Deshaies
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Ménard
Paré
Pomerleau
Sauvageau
Tremblay (Rimouski—Témiscouata)—42

NAYS

Members

Ablonczy
Allmand
Anawak
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bertrand
Bhaduria
Blondin–Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Bélair
Campbell
Chamberlain
Adams
Althouse
Anderson
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Berger
Bethel
Blaikie
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Catterall
Chan

Chatters
Copps
Crawford
Cummins
DeVillers
Dingwall
Dromisky
Duncan
Eggleton
Fewchuk
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West)
Grose
Guarnieri
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
Mayfield
McGuire
McLaughlin
McTeague
Meredith
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Pagtakhan
Patry
Penson
Peters
Phinney
Pillitteri
Ramsay
Regan
Rideout
Rock
Serré
Silye
St. Denis
Stewart (Brant)
Stinson
Szabo
Telegdi
Thompson
Torsney
Valeri
Verran
Walker
Wells
Williams
Young

Chrétien (Saint-Maurice)
Cowling
Culbert
de Jong
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Grubel
Hanger
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Manning
Marleau
Massé
McClelland (Edmonton Southwest)
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mills (Red Deer)
Murphy
O'Brien
Ouellet
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Proud
Reed
Richardson
Ringma
Schmidt
Shepherd
Speller
Steckle
Stewart (Northumberland)
Strahl
Taylor
Thalheimer
Tobin
Ur
Vanclief
Volpe
Wappel
Whelan
Wood
Zed—186

PAIRED MEMBERS

Bevilacqua
Clancy
Dubé
Lalonde

Bouchard
Crête
Dupuy
LeBlanc (Cape/Cap Breton Highlands—Canso)

The Acting Speaker (Mrs. Maheu): I declare the motion lost. The next question is on Motion No. 1.

● (1035)

[*Translation*]

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 150*)

YEAS

Members

Asselin
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bélisle
Caron
Dalphond-Guiral
de Savoye
Dumas
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Lefebvre
Loubier
Mercier
Nunez
Picard (Drummond)
Rocheleau
St-Laurent

Bachand
Bernier (Gaspé)
Brien
Canuel
Chrétien (Frontenac)
Debien
Deshaies
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Ménard
Paré
Pomerleau
Sauvageau
Tremblay (Rimouski—Témiscouata)—42

NAYS

Members

Ablonczy
Allmand
Anawak
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bertrand
Bhaduria
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Bélair
Campbell
Chamberlain
Chatters
Copps
Crawford
Cummins
DeVillers
Dingwall
Dromisky
Duncan
Eggleton
Fewchuk

Adams
Althouse
Anderson
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Berger
Bethel
Blaikie
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Catterall
Chan
Chrétien (Saint-Maurice)
Cowling
Culbert
de Jong
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone

Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West)
Grose
Guarnieri
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
Mayfield
McGuire
McLaughlin
McTeague
Meredith
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Pagtakhan
Patry
Penson
Peters
Phinney
Pillitteri
Ramsay
Regan
Rideout
Rock
Serré
Silye
St. Denis
Stewart (Brant)
Stinson
Szabo
Telegdi
Thompson
Torsney
Valeri
Verran
Walker
Wells
Wood
Zed—185

Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Grubel
Hanger
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Manning
Marleau
Massé
McClelland (Edmonton Southwest)
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mills (Red Deer)
Murphy
O'Brien
Ouellet
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Proud
Reed
Richardson
Ringma
Schmidt
Shepherd
Speller
Steckle
Stewart (Northumberland)
Strahl
Taylor
Thalheimer
Tobin
Ur
Vanclief
Volpe
Wappel
Whelan
Young

PAIRED MEMBERS

Bevilacqua
Clancy
Dubé
Lalonde

Bouchard
Crête
Dupuy
LeBlanc (Cape/Cap Breton Highlands—Canso)

The Acting Speaker (Mrs. Maheu): I declare the motion lost.

• (1045)

[*English*]

The next question is on Motion No. 2.

Mr. Boudria: Madam Speaker, on a point of order. I think you would find unanimous consent that the members who have voted on the previous vote be recorded as having voted on the vote now before the House in the following manner: Liberal members voting nay.

The Acting Speaker (Mrs. Maheu): Do we have unanimous consent?

Some hon. members: Agreed.

[*Translation*]

Mr. Laurin: Madam Speaker, the members of the Bloc Quebecois will vote nay on this motion.

Mr. Silye: Madam Speaker, Reform members vote yea, except those who wish to vote otherwise.

[*English*]

Mr. Taylor: Madam Speaker, New Democrats present in the House today vote nay.

Mr. Bhaduria: Madam Speaker, I will be voting nay.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 151*)

YEAS

Members

Ablonczy
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Cummins
Forseth
Gilmour
Grey (Beaver River)
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Mayfield
Meredith
Penson
Ringma
Silye
Strahl

Benoit
Bridgman
Chatters
Duncan
Frazer
Gouk
Grubel
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Manning
McClelland (Edmonton Southwest)
Mills (Red Deer)
Ramsay
Schmidt
Stinson
Thompson—38

NAYS

Members

Adams
Althouse
Anderson
Asselin
Axworthy (Winnipeg South Centre)
Baker
Barnes

Allmand
Anawak
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Bachand
Bakopanos
Beaumier

Bellemare	Berger
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Bethel	Bhaduria
Blaikie	Blondin–Andrew
Bodnar	Bonin
Boudria	Brien
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélisle	Caccia
Campbell	Canuel
Caron	Catterall
Chamberlain	Chan
Chrétien (Frontenac)	Chrétien (Saint–Maurice)
Copps	Cowling
Crawford	Culbert
Dalphond–Guiral	Debien
de Jong	de Savoye
Deshaies	DeVillers
Dhaliwal	Dingwall
Discepola	Dromisky
Duhamel	Dumas
Easter	Eggleton
English	Fewchuk
Fillion	Finestone
Finlay	Flis
Fontana	Fry
Gaffney	Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gagnon (Québec)
Gallaway	Gauthier (Roberval)
Gerrard	Godfrey
Godin	Goodale
Graham	Gray (Windsor West)
Grose	Guarnieri
Guay	Guimond
Harb	Harvard
Hickey	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jackson	Jacob
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Landry
Langlois	Lastewka
Laurin	Lavigne (Beauharnois—Salaberry)
Lavigne (Verdun—Saint–Paul)	Lebel
Leblanc (Longueuil)	Lee
Lefebvre	Leroux (Shefford)
Lincoln	Loney
Loubier	MacAulay
MacDonald	MacLaren (Etobicoke North)
Malhi	Maloney
Manley	Marchand
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McGuire	McKinnon
McLaughlin	McLellan (Edmonton Northwest)
McTeague	McWhinney
Mercier	Milliken
Mills (Broadview—Greenwood)	Mitchell
Murphy	Murray
Ménard	Nunez
O'Brien	O'Reilly
Ouellet	Pagtakhan
Parrish	Paré
Patry	Payne
Peric	Peters
Peterson	Phinney
Picard (Drummond)	Pickard (Essex—Kent)
Pillitteri	Pomerleau
Proud	Reed
Regan	Richardson
Rideout	Rocheleau
Rock	Sauvageau
Serré	Shepherd
Speller	St–Laurent
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Szabo	Taylor
Telegdi	Thalheimer
Tobin	Torsney
Tremblay (Rimouski—Témiscouata)	Ur
Valeri	Vanclief
Verran	Volpe
Walker	Wappel
Wells	Whelan
Wood	Young
Zed—189	

PAIRED MEMBERS

Bevilacqua	Bouchard
Clancy	Crête
Dubé	Dupuy
Lalonde	LeBlanc (Cape/Cap Breton Highlands—Canso)

The Acting Speaker (Mrs. Maheu): I declare Motion No. 2 negatived.

The next question is on Motion No. 3.

Mr. Boudria: Madam Speaker, on a point of order. I think you would find unanimous consent that the members who have voted on the previous vote be recorded as voting on the motion now before the House in the following manner: Liberal members voting nay.

[*Translation*]

Mr. Laurin: Madam Speaker, the members of the Bloc Quebecois vote yea.

[*English*]

Mr. Silye: Madam Speaker, the Reform Party members who are present today will vote yea, except for those who wish to vote otherwise.

Mr. Taylor: Madam Speaker, New Democrats vote nay.

Mr. Bhaduria: Madam Speaker, I will be voting nay.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 152*)

YEAS

Members

Ablonczy	Asselin
Bachand	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Breitkreuz (Yellowhead)
Bridgman	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Caron
Chatters	Chrétien (Frontenac)
Cummins	Dalphond–Guiral
Debien	de Savoye
Deshaies	Dumas
Duncan	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Godin
Gouk	Grey (Beaver River)
Grubel	Guay
Guimond	Hanger
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hart	Hayes
Hermanson	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Jacob	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Lefebvre
Leroux (Shefford)	Loubier

Manning
Mayfield
Mercier
Mills (Red Deer)
Nunez
Penson
Pomerleau
Ringma
Sauvageau
Silye
Stinson
Thompson
Marchand
McClelland (Edmonton Southwest)
Meredith
Ménard
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
St-Laurent
Strahl
Tremblay (Rimouski—Témiscouata)—80

NAYS

Members

Adams
Althouse
Anderson
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Bertrand
Bhaduria
Blondin-Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Catterall
Chan
Copps
Crawford
de Jong
Dhaliwal
Discepola
Duhamel
Eggleton
Fewchuk
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire
McLaughlin
McTeague
Milliken
Mitchell
Murray
O'Reilly
Pagtakhan
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Serré
Speller
Steckle
Stewart (Northumberland)
Taylor
Allmand
Anawak
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bethel
Blaikie
Bodnar
Boudria
Brushett
Bélair
Campbell
Chamberlain
Chrétien (Saint-Maurice)
Cowling
Culbert
DeVillers
Dingwall
Dromisky
Easter
English
Finestone
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marleau
Massé
McKinnon
McLellan (Edmonton Northwest)
McWhinney
Mills (Broadview—Greenwood)
Murphy
O'Brien
Ouellet
Parrish
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Rock
Shepherd
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Torsney
Valeri
Verran
Walker
Wells
Wood
Zed—147
Tobin
Ur
Vanclief
Volpe
Wappel
Whelan
Young

PAIRED MEMBERS

Bevilacqua
Clancy
Dubé
Lalonde
Bouchard
Crête
Dupuy
LeBlanc (Cape/Cap Breton Highlands—Canso)

The Acting Speaker (Mrs. Maheu): I declare Motion No. 3 negatived.

[*Translation*]

The next question is on Motion No. 4, standing in the name of the hon. member for Rimouski—Témiscouata.

[*English*]

Mr. Boudria: Madam Speaker, on a point of order. I think you would find unanimous consent that the members who have voted on the previous motion be recorded as having voted on the motion now before the House in the following manner: Liberal members voting nay.

[*Translation*]

Mr. Laurin: Madam Speaker, the members of the Bloc Quebecois will be voting yea.

[*English*]

Mr. Silye: Madam Speaker, the Reform Party will be voting nay, except for those who wish to vote otherwise.

● (1050)

Mr. Taylor: Madam Speaker, New Democrats will be voting yea.

Mr. Bhaduria: Madam Speaker, I will be voting nay.

[*Translation*]

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 153*)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Chrétien (Frontenac)
Debien
de Savoye
Dumas
Gagnon (Québec)
Godin
Guimond
Landry
Laurin
Lebel
Lefebvre
Asselin
Bachand
Bernier (Gaspé)
Blaikie
Bélisle
Caron
Dalphond-Guiral
de Jong
Deshaies
Fillion
Gauthier (Roberval)
Guay
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)

Loubier
McLaughlin
Ménard
Paré
Pomerleau
Sauvageau
Taylor
Marchand
Mercier
Nunez
Picard (Drummond)
Rocheleau
St-Laurent
Tremblay (Rimouski—Témiscouata)—48

NAYS

Members

Ablonczy
Allmand
Anderson
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bertrand
Bhaduria
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Bryden
Caccia
Catterall
Chan
Chrétien (Saint-Maurice)
Cowling
Culbert
DeVillers
Dingwall
Dromisky
Duncan
Eggleton
Fewchuk
Finlay
Fontana
Frazer
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West)
Grose
Guarnieri
Hanrahan
Harper (Calgary West)
Harris
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
Mayfield
McGuire
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mills (Red Deer)
Murphy
O'Brien
Ouellet
Parrish
Payne
Peric
Peterson
Pickard (Essex—Kent)
Proud
Adams
Anawak
Assadourian
Baker
Barnes
Bellemare
Berger
Bethel
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Bélair
Campbell
Chamberlain
Chatters
Copps
Crawford
Cummins
Dhaliwal
Discepola
Duhamel
Easter
English
Finestone
Flis
Forseth
Fry
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grey (Beaver River)
Grubel
Hanger
Harb
Harper (Simcoe Centre)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Manning
Marleau
Massé
McClelland (Edmonton Southwest)
McKinnon
McTeague
Meredith
Mills (Broadview—Greenwood)
Mitchell
Murray
O'Reilly
Pagtakhan
Patry
Penson
Peters
Phinney
Pillitteri
Ramsay
Reed
Richardson
Ringma
Schmidt
Shepherd
Speller
Steckle
Stewart (Northumberland)
Strahl
Telegdi
Thompson
Torsney
Valeri
Verran
Walker
Wells
Wood
Zed—179
Regan
Rideout
Rock
Serré
Silye
St. Denis
Stewart (Brant)
Stinson
Szabo
Thalheimer
Tobin
Ur
Vanclief
Volpe
Wappel
Whelan
Young

PAIRED—MEMBERS

Members

Bevilacqua
Clancy
Dubé
Lalonde
Bouchard
Crête
Dupuy
LeBlanc (Cape/Cap Breton Highlands—Canso)

The Acting Speaker (Mrs. Maheu): I declare the motion lost.

[*English*]

The next question is on Motion No. 5.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to apply the vote on report stage Motion No. 3 to the motion now before the House.

[*Translation*]

Mr. Laurin: Madam Speaker, we agree. The members of the Bloc Quebecois vote yea.

[*English*]

Mr. Silye: Madam Speaker, the Reform Party members will be voting yea, except for those members who wish to vote otherwise.

Mr. Taylor: Madam Speaker, in consultation with my colleagues in the New Democratic Party we are voting nay.

Mr. Bhaduria: Madam Speaker, I will be voting nay.

[*Editor's Note: See list under Division No. 152.*]

The Acting Speaker (Mrs. Maheu): I declare the motion lost.

The next question is on Motions Nos. 6 and 7.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to apply the same vote to report stage Motions Nos. 6 and 7. If you could just seek unanimous consent, you would get to apply the vote on Motion No. 4 to Motions Nos. 6 and 7.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Mr. Laurin: Madam Speaker, there must be a mistake; we did not vote on Motion No. 4 as we intend to vote on Motions Nos. 6 and 7.

[*English*]

Mr. Boudria: Madam Speaker, if I could just attract the attention of our colleagues for a moment. I am seeking unanimous consent to apply the vote taken to report stage Motion No. 2. That is, item 4 on the list that we have before us.

I am seeking unanimous consent to apply that vote to report stage Motions Nos. 6 and 7.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 151.*]

The Acting Speaker (Mrs. Maheu): I declare Motions Nos. 6 and 7 lost.

• (1055)

The next question is on Motion No. 11.

Mr. Boudria: Madam Speaker, I believe you will find unanimous consent to apply the vote taken on report stage Motion No. 1 to this motion.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

[*Translation*]

[*Editor's Note: See list under Division No. 150.*]

The Acting Speaker (Mrs. Maheu): I declare Motion No. 11 lost.

[*English*]

The next question is on Motion No. 12. An affirmative vote on Motion No. 12 obviates the need for a vote on Motion No. 13. A negative vote on Motion No. 12 necessitates a vote on Motion No. 13.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to apply the vote taken on report stage Motion No. 2 to the motion now before the House.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 151.*]

The Acting Speaker (Mrs. Maheu): I declare Motion No. 12 lost.

[*English*]

The next question is on Motion No. 13.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent to apply the vote taken on report stage Motion No. 1 to the motion now before the House and you would find further unanimous consent to apply that to report stage Motions Nos. 17, 22 and 24 as well.

[*Translation*]

Mr. Laurin: Madam Speaker, again, I think that the numbers of the motions reported by the hon. Liberal Party whip should be checked because all this is not consistent with the previous agreement.

Would it be possible to repeat the numbers of the motions being referred to?

[*English*]

Mr. Boudria: Madam Speaker, I would ask consent that the result applied to Motion No. 1 apply to report stage Motions Nos. 13, 17, 22 and 24.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 150.*]

The Acting Speaker (Mrs. Maheu): I declare Motions Nos. 13, 17, 22 and 24 lost.

• (1100)

[*English*]

The next question is on Motion No. 14. A vote on this motion also applies to Motions Nos. 15, 16, 18, and 19.

Mr. Boudria: Madam Speaker, I seek unanimous consent to apply the vote taken on report stage Motion No. 3 to the item now before the House.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

[Editor's Note: See list under division No. 152.]

The Acting Speaker (Mrs. Maheu): I declare Motion No. 14 lost. Consequently, Motions Nos. 15, 16, 18, and 19 are also lost.

[*English*]

The next question is on Motion No. 20. A vote on this motion also applies to Motion No. 23.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent for the members who voted on the previous motion to be recorded as voting on the motion now before the House in the following manner: Liberal members voting nay.

[*Translation*]

Mr. Laurin: Madam Speaker, we will vote yea.

Mr. Silye: Madam Speaker, the Reform Party will vote yea, except for those members who may wish to vote otherwise.

Some hon. members: Hear, hear.

[*English*]

Mr. Taylor: Madam Speaker, New Democrats vote yea.

Mr. Bhaduria: Madam Speaker, I will be voting nay.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 154*)

YEAS

Members

Ablonczy
Asselin
Bachand
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Brien
Bélisle
Caron
Chrétien (Frontenac)
Dalphond-Guiral
de Jong
Deshaies
Duncan
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Mayfield
McLaughlin
Meredith
Ménard
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
St-Laurent
Strahl
Thompson

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benoit
Bernier (Gaspé)
Blaikie
Bridgman
Brown (Calgary Southeast)
Canuel
Chatters
Cummins
Debien
de Savoye
Dumas
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Mills (Red Deer)
Nunez
Penson
Pomerleau
Ringma
Sauvageau
Silye
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)—86

NAYS

Members

Adams
Anawak
Assadourian
Baker
Barnes
Bellemare
Bertrand

Allmand
Anderson
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bethel

Bhaduria
Bodnar
Boudria
Brushett
Bélair
Campbell
Chamberlain
Chrétien (Saint-Maurice)
Cowling
Culbert
Dhaliwal
Discepola
Duhamel
Eggleton
Fewchuk
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mills (Broadview—Greenwood)
Murphy
O'Brien
Ouellet
Parrish
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Rock
Shepherd
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Torsney
Valeri
Verran
Walker
Wells
Wood
Zed—141

Blondin-Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Catterall
Chan
Copps
Crawford
DeVillers
Dingwall
Dromisky
Easter
English
Finestone
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marleau
Massé
McKinnon
McTeague
Milliken
Mitchell
Murray
O'Reilly
Pagtakhan
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Serré
Speller
Steckle
Stewart (Northumberland)
Telegdi
Tobin
Ur
Vanclief
Volpe
Wappel
Whelan
Young

PAIRED MEMBERS

Bevilacqua
Clancy
Dubé
Lalonde

Bouchard
Crête
Dupuy
LeBlanc (Cape/Cap Breton Highlands—Canso)

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare Motions Nos. 20 and 23 negatived.

● (1105)

[*English*]

Hon. Diane Marleau (for the Minister of Canadian Heritage) moved that the bill, as amended, be concurred in.

Mr. Boudria: Madam Speaker, I rise on a point of order. I think you would find unanimous consent to apply the vote just taken on report stage Motion No. 20 in reverse to the concurrence motion.

The Acting Speaker (Mrs. Maheu): Does the House agree?

Some hon. members: Agreed.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 155)

YEAS

Members

Adams
Anawak
Assadourian
Baker
Barnes
Bellemare
Bertrand
Bhaduria
Bodnar
Boudria
Brushett
Bélair
Campbell
Chamberlain
Chrétien (Saint-Maurice)
Cowling
Culbert
Dhaliwal
Discepola
Duhamel
Eggleton
Fewchuk
Finlay
Fontana
Gaffney
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
MacLaren (Etobicoke North)
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mills (Broadview—Greenwood)
Murphy
O'Brien
Ouellet
Allmand
Anderson
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bethel
Blondin-Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Caccia
Catterall
Chan
Copps
Crawford
DeVillers
Dingwall
Dromisky
Easter
English
Finestone
Flis
Fry
Gagliano
Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Iftody
Jackson
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
Malhi
Manley
Marleau
Massé
McKinnon
McTeague
Milliken
Mitchell
Murray
O'Reilly
Pagtakhan
Parrish
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Rock
Shepherd
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Torsney
Valeri
Verran
Walker
Wells
Wood
Zed—141
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Serré
Speller
Steckle
Stewart (Northumberland)
Telegdi
Tobin
Ur
Vanclief
Volpe
Wappel
Whelan
Young

NAYS

Members

Ablonczy
Asselin
Bachand
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Brien
Bélisle
Caron
Chrétien (Frontenac)
Dalphond-Guiral
de Jong
Deshaies
Duncan
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Mayfield
McLaughlin
Meredith
Ménard
Paré
Picard (Drummond)
Ramsay
Rocheleau
Schmidt
St-Laurent
Strahl
Thompson
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benoit
Bernier (Gaspé)
Blaikie
Bridgman
Brown (Calgary Southeast)
Canuel
Chatters
Cummins
Debien
de Savoye
Dumas
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Mills (Red Deer)
Nunez
Penson
Pomerleau
Ringma
Sauvageau
Silye
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)—86

PAIRED MEMBERS

Bevilacqua
Clancy
Dubé
Lalonde
Bouchard
Crête
Dupuy
LeBlanc (Cape/Cap Breton Highlands—Canso)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

When shall the bill be read the third time? Is there unanimous consent to read the bill the third time later this day?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

SECURITY INTELLIGENCE REVIEW COMMITTEE

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Madam Speaker, in order to comply with the order of the House made earlier this day, I am now tabling copies, in both official languages, of the report of the Security Intelligence Review Committee entitled "The Heritage Front Affair".

* * *

THE ENVIRONMENT

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Madam Speaker, pursuant to Standing Order 32(2), I hereby submit to Parliament, through your good offices, the final report of the task force on economic instruments and disincentives to sound environmental practices.

* * *

HUMAN RESOURCES

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Madam Speaker, I am pleased to submit two copies, in both official languages, of the document entitled "Canadian Positions with Respect to Conventions and Recommendations" adopted at the 79th and 80th sessions of the International Labour Conference in Geneva in June 1992 and June 1993.

The report is to be referred to the Standing Committee on Human Resources Development.

* * *

CANARCTIC SHIPPING

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Madam Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the 1993 annual report of the Canarctic Shipping Company Ltd.

• (1110)

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 38 petitions.

* * *

[*English*]

INTERPARLIAMENTARY DELEGATIONS

Mr. George Proud (Hillsborough, Lib.): Madam Speaker, I have the honour to present to the House, in both official languages, the fourth report of the Canadian NATO Parliamentary Association concerning the North Atlantic Assembly annual session which was held in Washington, D.C., from October 14 to 18, 1994.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

NATURAL RESOURCES

Mr. René Canuel (Matapédia—Matane, BQ): Madam Speaker, I have the honour to present the fifth report of the Standing Committee on Natural Resources relating to our review of the mining industry.

I wish to thank those who testified before or submitted briefs to the committee. By their input, they have made a significant contribution to our work.

Mr. Bernard Deshaies (Abitibi, BQ): Madam Speaker, the members of the Bloc Quebecois who sit on the committee welcome the recommendations contained in the report of the Standing Committee on Natural Resources concerning mining development. However, the Bloc Quebecois saw fit to append a dissenting report to make sure that these recommendations do not promote federal interference in areas of exclusive provincial jurisdiction, particularly with respect to costly duplication and overlap between actions taken by each level of government.

Finally, Bloc members want the Minister of Natural Resources to make sure that the implementation of the tax measures described in these recommendations will benefit the mining industry and that appropriate control measures will be put in place so that there is no loophole, in the interest of the national Treasury and the continued credibility of the mining industry.

Routine Proceedings

[*English*]

WESTERN GRAIN TRANSPORTATION ACT

Hon. Douglas Young (Minister of Transport, Lib.) moved for leave to introduce Bill C–66, an act to amend the Western Grain Transportation Act.

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

* * *

VETERANS REVIEW AND APPEAL BOARD ACT

Hon. Lawrence MacAulay (for the Minister of Veterans Affairs, Lib.) moved for leave to introduce Bill C–67, an act to establish the veterans review and appeal board, to amend the Pension Act, to make consequential amendments to other acts and to repeal the Veterans Appeal Board Act.

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

* * *

● (1115)

CANADA PENSION PLAN ACT

Mr. Janko Peric (Cambridge, Lib.) moved for leave to introduce Bill C–299, an act to amend the Canada pension plan (increased contributions and pension).

He said: Madam Speaker, I have the pleasure to table a private member's bill which aims to improve the Canada pension plan.

The amendments to the Canada pension plan which I am proposing will cause the plan to grow significantly in contributions and benefits. The expanded plan will eventually result in a more adequate retirement pension for all Canadians and will reduce the need for private pensions and retirement savings plans.

The Canada pension plan would then provide an adequate and fully portable pension for all Canadians.

I hope that all members will support this initiative.

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

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

AGRICULTURE

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, I move that 15 members, three interpreters and three members of the staff of the Standing Committee on Agriculture and Agri–Food be authorized to hold meetings on the future of Canadian agriculture in Saint–Hyacinthe, Victoriaville, Quebec City, Forestville, Halifax and Charlottetown from January 22 to 28, 1995, and in Kelowna, Kamloops, Lethbridge, Saskatoon, Winnipeg, London, St. Catharines, Brockville and Alfred, from February 5 to 15, 1995.

[*English*]

The Acting Speaker (Mrs. Maheu): Is there unanimous consent to move the motion?

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): There is not unanimous consent.

* * *

PETITIONS

HUMAN RIGHTS

Mr. Bill Graham (Rosedale, Lib.): Madam Speaker, I have the pleasure to present to the House a petition which prays that this House will speedily recognize the need to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation. The petition is signed by over 90 Canadians. I am pleased to support this petition.

GUN CONTROL

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I have a petition which was collected and prepared by students of St. Anne's School in Peterborough. It reads:

"We the undersigned citizens and children of the province of Ontario draw the attention of the House of Commons and the Minister of Justice to the following: That criminals do not fear the law as much as we the citizens and children fear for our safety because of recent crime involving guns. We wish that the federal government enact more severe penalties for the perpetrators of crimes involving the use of firearms. We believe in crime control as well as gun control".

CHILD ABUSERS

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I have another petition which is signed by more than 120 people of the Peterborough area which reads:

"We the undersigned residents of Canada draw the attention of the House to the following: Whereas babies and young children lack the ability to defend themselves against abusers; and whereas thousands of innocent, vulnerable, defenceless children every year fall victim to sexual abuse, serious physical and psychological harm, maiming and death; and whereas child abusers must be dealt with harshly by the criminal justice system, your petitioners humbly pray and call upon Parliament to amend the Criminal Code to ensure stiffer sentences and mandatory treatment for all child abusers".

LEONARD PELTIER

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I have a third petition which is from more than 125 citizens of Peterborough and the surrounding area.

• (1120)

The petitioners point out that at the time of the extradition of Lakota–Chippewa native American Leonard Peltier from Canada to the United States, the information provided surrounding Mr. Peltier's case was fabricated by the U.S. authorities. Since that time new information has emerged which indicates that Leonard Peltier was not guilty of the crime for which he has spent the last 18 years in prison. Therefore the petitioners request that Parliament hold an external review of the 1976 extradition hearing and that he be brought back to Canada for asylum.

PARLIAMENTARY PRAYER

Mr. George S. Rideout (Moncton, Lib.): Madam Speaker, I have two petitions pursuant to Standing Order 36.

The first petition deals with the prayer in Parliament.

ASSISTED SUICIDE

Mr. George S. Rideout (Moncton, Lib.): Madam Speaker, the second petition deals with assisted suicides.

It is a pleasure to present both of these petitions.

GUN CONTROL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Madam Speaker, I have the honour to present a petition signed by residents of Canada.

They point out that Canadian citizens support lawful and responsible use of firearms and ammunition, that many Canadians oppose laws to put more restrictions on the prohibition of legal firearms ownership rather than addressing violent criminal misuse of firearms.

The 1993 Auditor General's report indicates that many firearms regulations were brought in as a matter of public policy with no regard to further effectiveness or potential benefit.

The petitioners call on Parliament not to enact any further firearms control legislation, regulations or orders in council. The petition is signed by 277 residents of Kootenay West—Revelstoke. I highly concur with this petition.

MINING INDUSTRY

Hon. Audrey McLaughlin (Yukon, NDP): Madam Speaker, I have a number of signatures from petitioners in the Yukon.

They note that Canada's mining industry is the mainstay of employment in over 150 communities across Canada. They therefore call on the Parliament of Canada to take action that will grow employment in this sector, promote exploration, rebuild Canada's mineral reserves, sustain mining communities and keep mining in Canada. In addition they request that the Canadian Industry Mineral Federation which has proposed a 10–point plan be supported by the Government of Canada.

GRANDPARENTS' RIGHTS

Miss Deborah Grey (Beaver River, Ref.): Madam Speaker, pursuant to Standing Order 36 I would like to present a petition signed by several people from Saint Paul, Alberta in the heart of my constituency of Beaver River.

They are saying that grandparents as a consequence of death, separation or divorce of their children are often denied access to their grandchildren. The relationship which exists between grandparents and grandchildren is very natural, fundamental and certainly a special one.

These petitioners are requesting that Parliament amend the Divorce Act to include a provision similar to section 611 in the Quebec civil code which states: "In no case may a father or mother without serious cause place obstacles between the child and grandparents. Failing agreement between the parties, the modalities of the relations are settled by the court".

They are asking that they be allowed to go to court to settle these matters.

Madam Speaker, I wish you a Merry Christmas.

HUMAN RIGHTS

Mr. John Duncan (North Island—Powell River, Ref.): Madam Speaker, I rise to present two petitions.

One is on behalf of 149 of my constituents from the riding of North Island—Powell River requesting that Parliament not amend the human rights code that would indicate societal approval of same sex relationships.

ASSISTED SUICIDE

Mr. John Duncan (North Island—Powell River, Ref.): Madam Speaker, the other petition signed by 33 of my constituents requests that Parliament not repeal or amend section 241 of the Criminal Code and therefore will uphold the current law disallowing euthanasia. I personally concur with these petitioners.

HUMAN RIGHTS

Ms. Hedy Fry (Vancouver Centre, Lib.): Madam Speaker, I would like to present a petition from members of my riding. There are 563 signatures. It reads:

"We the undersigned residents of Canada draw to the attention of the House the following: That one of the core values of Canadian society is a strong belief in equality. That equality for all Canadians includes freedom from hatred, harassment and discrimination. That all Canadians regardless of race, religion, gender or sexual orientation must be treated equitably under the same circumstances. That great misunderstanding still exists in Canada resulting in acts of discrimination, harassment and crimes of hate against citizens on the basis of sexual orientation.

"Therefore we the petitioners humbly pray and call upon Parliament to enact legislation to amend the human rights act to prohibit discrimination against persons based upon their sexual orientation. Further we call upon you to pass the Liberal government Bill C–41 which gives tougher sentences to those who commit crimes of hate against others on the basis of their sexual orientation".

• (1125)

MINING INDUSTRY

Mr. Benoît Serré (Timiskaming—French River, Lib.): Madam Speaker, I am very pleased to present a petition signed by 290 Canadians with regard to mining.

The petitioners are very concerned about the decline of ore reserves in this country. They are very concerned about the fate of the 150 mining communities that depend on mining for their livelihood. They call on Parliament to take action that will grow employment in this sector, promote exploration, rebuild Canada's mineral reserves, sustain mining communities and keep mining in Canada.

I concur with the petitioners.

HUMAN RIGHTS

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, I have the honour to present a petition signed by 31 residents of Vancouver and the greater Vancouver region requesting that the Canadian Human Rights Act be not amended so as to provide for same sex relationships.

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Madam Speaker, I have a petition with 30 signatures of Canadians who wish to bring to our attention the fact that this petition calls for an amendment to the human rights code to include sexual orientation as a prohibited ground of discrimination. The fundamental principle underlying the petition is to ensure that people are treated equally in Canada regardless of their sexual orientation.

CRIMES OF VIOLENCE

Ms. Beth Phinney (Hamilton Mountain, Lib.): Madam Speaker, I have petitions here from right across Canada to add to the over three million signatures that I have already presented in the House. These petitioners feel that there are serious discrepancies in the criminal justice system and many vulnerable persons have little protection under the current system, women, children and disabled persons in particular.

These petitioners request that Parliament recognize that crimes of violence against the person are serious and abhorrent to society and that Parliament amend the Criminal Code of Canada, the Bail Reform Act of 1992 and the Parole Act accordingly.

RIGHTS OF THE UNBORN

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, I have two petitions signed by people from Deep River, Rolphton, Pembroke, Petawawa and other areas throughout the Ottawa Valley. They request that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, the following questions will be answered today: Nos. 43, 44, 69 and a supplementary answer to Question No. 82.

[*Text*]

Question No. 43—**Mr. Chatters:**

How many and what are the names of the Indian bands and tribal councils that are being co–managed and having their bank issued cheques co–signed by Indian affairs officials?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Currently there are 97 recipients under a financial management plan, FMP: 86 recipient controlled, seven co–management and four third–party managed. No Indian band or tribal council has their band issued cheques co–signed by Indian Affairs officials.

DIAND requires First Nations or their organizations, with a cumulative deficit greater than 8 per cent of their total revenues, to have in place a FMP to address the situation. The manner in which this FMP is managed depends upon the severity of the situation:

Recipient controlled: Where the FMP is exclusively managed by a recipient who is deemed to have the required administrative skills to address the difficulty;

Co–managed: Where the recipient is deemed not to have the required skills and recommends to DIAND the name of an independent qualified person or organization to be responsible for the financial affairs of the recipient; and

Third party managed: Where the recipient is deemed not to have the required skills and the health and safety of the community is at risk, DIAND appoints an independent qualified person or organization to administer the day to day affairs of the recipient.

The names of Indian bands and tribal councils who are under a co–management regime cannot be released as this information is confidential third party financial information under section 20(1)(b) of the Access to Information Act.

Question No. 44—**Mr. Chatters:**

With respect to financial audits conducted by or for the government on Indian bands, tribal councils and aboriginal/Metis organizations, (*a*) how many audits were conducted during the last five years, (*b*) how many were considered fully satisfactory and approved by the government, (*c*) how many received a failing grade from the government?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons): I am informed by the Departments of Canadian Heritage, Indian Affairs and Northern Development, Justice and the Privy Council Office as follows:

In so far as Canadian Heritage is concerned: (a) two; (b) two; (c) Please refer to Justice's reply, part (c).

In so far as Indian Affairs and Northern Development Canada is concerned in the past three years—DIAND's automated audit tracking system contains three years of date, (a) 2,034 audits were conducted; (b) 1,573 unqualified and 318 qualified audit opinions were accepted by the department. The Canadian Institute of Chartered Accountants has classified audits into three categories, unqualified, qualified and denial of opinion. A denial of opinion is not accepted by the government; and (c) 143 audits have a denial of opinion. DIAND prepares action plans to address financial management problems for those recipients who have a denial of opinion.

DIAND does not fund Metis organizations. For such organizations, please refer to the answers provided by Canadian Heritage, Justice and the Privy Council Office.

In so far as the Department of Justice is concerned: (a) three; (b) one; (c) two. One audit was jointly sponsored by Canadian Heritage, the Federal–Provincial Relations Office of the Privy Council Office, Justice Canada, Saskatchewan Department of Social Services, the Saskatchewan Indian and Metis Affairs Secretariat.

In so far as the Privy Council Office is concerned: (a), (b) and (c) Please refer to Justice's reply, part (c).

Question No. 69—**Mr. Bodnar:**

With regard to the recent audit of the Saskatchewan Metis Nation, completed by Deloitte–Touche, (*a*) what was the total amount of expenditures questioned by the auditors, (*b*) in terms of these questioned expenditures, (i) who made each expenditure, (ii) for what amount, (iii) for what purpose and on what date?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Total amount of funding questioned by the auditors: $2,770,131

Programs:

Core Program, 1993–1994
Canadian Heritage: $514,180
Total: $514,180

Tri–Partite Program, 1993–1994
Privy Council Office: $313,320
Saskatchewan Indian and Metis Affairs Secretariat: $313,320
Total: $626,640

Core Program, 1992–1993
Canadian Heritage: $601,311
Department of Justice: $50,000
Saskatchewan Indian and Metis Affairs Secretariat: $10,000
Total: $661,311

Tripartite Program, 1992–1993
Saskatchewan Indian and Metis Affairs Secretariat: $370,000
Department of Justice: $460,600
Saskatchewan Social Services: $71,000
Total: $901,600

Fur Trappers Meeting, 1992–1993
Saskatchewan Indian and Metis Affairs Secretariat: $10,000
Total: $10,000

Justice System Program, 1992–1993
Department of Justice: $56,400
Total $56,400

Question No. 82—**Mr. Cummins:**

What effect did the late signing of the aboriginal fishing agreements in British Columbia have on the Department of Fisheries and Oceans enforcement of the agreements and fisheries regulations in 1994?

Hon. Brian Tobin (Minister of Fisheries and Oceans): On September 23 the hon. member raised the question of the impact of the late signing of agreements on enforcement and regulation of British Columbia fisheries. On November 18 a response was provided which assessed the impact of late signing on the overall enforcement of agreements and regulations pertaining to management of the aboriginal fishery.

The answer provided to the question posed by the hon. member in September was neither inaccurate nor misleading. The response acknowledged that late signing did have some effect.

In characterizing this effect as small, the response was correct in the context of management of aboriginal fishing throughout British Columbia and in the context of the legal capacity to enforce against unauthorized fishing. The question posed by the hon. member was set in both these contexts. The response was not meant to imply that in specific areas and for specific agreements the late signing of agreements did not have negative implications as recorded in the documents cited by the hon. member.

The response characterized the effect on "enforcement of the agreements and fisheries regulations" as small for the following reasons:

1. The integrity of management systems made up of both agreements and regulations was maintained. All aboriginal salmon fishing before the signing of agreements was licensed under the aboriginal communal fishing licence regulations. These licences provided an enforceable framework for the control of aboriginal fishing until agreements were signed.

2. While there were problems with the implementation of some of the more complex agreements, particularly the Sto:Lo agreement, these instances must be interpreted in the context of the 47 agreements signed in 1994 with aboriginal groups across British Columbia.

3. In 23 cases steps were taken to minimize the effect of delays in signing agreements through bridge funding agreements starting at the beginning of May. These agreements provided aboriginal groups with funding to continue management and enforcement activities under protocols established the previous year while negotiations on allocation numbers and funding levels for the current year continued. In the Sto:Lo area, while bridge funding was not possible, a contractor was employed to monitor the fishery.

4. Finally, many of the problems with enforcement which have been identified by fisheries officers are not related to the late signing of agreements. Problems of resource levels, planning and communication while real, and in some cases perhaps attributed by officers to signing of agreements, are actually more related to other aspects of the operation of the department.

The minister has never denied that there were problems with enforcement of aboriginal fishing agreements and regulation in British Columbia in 1994. Many concerns were raised by fisheries officers when the minister met with them on November 2. Some of these problems, such as the curtailed activities of aboriginal guardians and other problems with the ability of some aboriginal groups to participate in management, were related to the late signing of agreements and were identified as such in the initial response. However, in the face of failure to reach agreements at an earlier date, the department took steps to minimize these effects.

The minister is committed to conservation and has taken measures to ensure that the reasons for the disappointing returns to the Fraser this year are independently investigated and publicly reported on. The minister does not believe the late signing of agreements was the primary cause of poor returns in the Fraser. The minister would like to point out that, as agreements are negotiated documents, the department does not have complete control over when they are signed. However, if late agreements are bad, the government must consider the effect of no agreements and no aboriginal involvement on the management of the fishery.

This should not be a game of semantics debating the definition of "little impact". Suffice to say, all issues contributing to the situation on the Fraser this year are being assessed and the minister is committed to taking whatever remedial action proves necessary to ensure conservation.

With specific reference to the late signing of agreements steps have already been taken to commence negotiations on agreements for 1995 in early January. To provide time for planning the implementation of agreements the minister will not be authorizing the signing of agreements after a deadline well in advance of when fishing for major runs is to commence.

[*English*]

The Acting Speaker (Mrs. Maheu): The questions as enumerated by the parliamentary secretary have been answered.

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

The Acting Speaker (Mrs. Maheu): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF CANADIAN HERITAGE ACT

Hon. David Anderson (for the Minister of Canadian Heritage) moved that Bill C–53, an act to establish the Department of Canadian Heritage and to amend and repeal certain other acts, be read the third time and passed.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Madam Speaker, the hearings on Bill C–53 by the Standing Committee on Canadian Heritage during the past weeks have given many Canadians from all sectors of our society the opportunity to present their views on the responsibilities encompassed in the proposed legislation.

Every kind of opinion has been heard about this bill, including the name of the department, the portfolio and its holdings, and suggestions on how to amend various acts under its jurisdiction. This expression of a wide range of views about the Department of Canadian Heritage is consistent with the objective of our parliamentary system of fairness and openness in government. It is consistent with the government's ideal about giving all citizens the right, the access and the opportunity to become involved in all aspects of Canadian life.

• (1130)

[*Translation*]

The Department of Canadian Heritage would encourage the possibility of greater participation by our fellow citizens in the social, political, cultural and economic life of their country.

In a few moments, my colleague, the member for Mississauga East, will speak about the many advantages of having one integrated department.

Indeed, the department's responsibilities, which range from natural reserves and historic sites and figures to sports and include the arts and cultural industries, really cover all aspects of life in Canada.

[*English*]

My intention therefore is to concentrate on the multicultural aspects of Canadian life and why there is a need for a program that focuses on building understanding and respect and on fighting racism, bigotry and prejudice.

For my government this program is more than building a monument. It is far more lasting in terms of daily living for Canadians, whatever their language, culture, milieu, newly arrived or long time resident. Multiculturalism is about the very fabric of our society.

Canada has been built by wave after wave of immigrants. All Canadians other than the First Nations have their roots reaching to the four corners of the earth. They have kept coming and they have come at different stages.

I was at a very moving and beautiful ceremony yesterday held at Rideau Hall with the Governor General of Canada. At that ceremony Dr. Dmytroa Cipywnyk, a very distinguished Canadian of Ukrainian descent and who is president of the Canadian Ethnocultural Council, received in the name of the 37 groups that represent ethnocultural communities across Canada a coat of arms.

It was a very moving day as I saw Ukrainians, Germans, Italians, Greeks, Jewish people, East Indians, people from the Czech Republic, Poland, Argentina, people of Irish descent and people from countries all around the world who all belong to this Canadian Ethnocultural Council. They had decided that they wanted to have a heraldic emblem that would represent who they are and what it means to be part of Canada.

I was very touched and moved by the words of the Governor General. Mr. Hnatyshyn made a comment on the choice of the heraldry, the red and white crest with the winged seeds. He said maple trees are different. Maple seeds have a design that allows them to spiral to the ground far from the trees. They take root in new places, adapt to new conditions and thrive. That is the kind of spirit that has drawn millions of people to this land for hundreds of years. It is that spirit that draws people here today.

I thought that was very demonstrative of the role and the place that Canadians have played from all parts of this world, from the Irish who came here fleeing hunger and famine to the Chinese who came to help build the railways, to the blacks who came through the underground railway. All kinds of people have come to this shore and each wave has brought prosperity, growth and development. Each wave has had to live difficult experiences and each wave has been enabled by the concepts that are founded in our democratic process to grow and to prosper, but not without difficulty.

We have addressed those difficulties at many different times in different ways because we have been a growing and emerging democracy.

• (1135)

In that spirit that moved thousands upon thousands of volunteers to respond, to reach out and to work for social harmony and social peace as their communities arrived here, it was the small groups that lent a hand to the business people, to the families in need, the Baron de Hirsch, for food, for coal, for heat; it was the organizations that came together to give food and lodging, shoes and clothing for the cold weather. Whether it was my community or the Christian community or the other communities, they gave a helping hand and enabled us to feel a sense of comfort and welcome and then we made the choice to stay, to move on, to integrate, to associate, to make our way of life here in Canada.

That spirit, that generosity is found in the charitable social and cultural organizations of today. They all need respect, understanding and they need and come for some form of support as they work to face a very changed dynamic in society. Society is a great big global village whose people have still not learned how to live respectfully in many of the lands from which they come.

We have an important job that is different than before because technology has changed. The world we now see is in conflict and those conflicts are now coming here and we must stop those conflicts. It is a different kind of situation.

It is important that these volunteer organizations help us work toward social peace and social harmony. If we reach out our hand in friendship and we welcome the newly arrived as the host society, we will have received them at our table with grace and dignity and we will help others integrate into our society under the value system that we have built into our society.

It is fairly new. When we talk about what we have put in here it is the spirit of multiculturalism that moved much of the change that we saw as we brought in our Charter of Rights and Freedoms, as we brought in the Canadian Constitution, as we signed international documents to eliminate all forms of discrimination, all forms of racism, as we put into place acts of employment equity.

I have said it before and I will say it again. It is time for us to get up to date, to understand and to explain to constituents just what multiculturalism means for Canada, just how important it is to the fabric of life here.

We have never been a static society. Canadian federalism is a growing and evolving modern society. It is governance that looks at and adapts to change. It is not frozen in any particular mode or model. It has guiding principles today that form the very core of this nation and it moves based on fundamental principles. It means that Canada has been and is now and will continue to be a host country and a home country for people from around the world, from a multitude of other cultures that all share the same goal of making a good life for themselves and their families within the framework of our laws and our prin-

ciples of justice and fairness, of peace, order and good government at all levels of our society.

It is obvious that people see the structures we have in place and that is why they want to come here. As citizens we have adapted it, have adopted it and have allowed it to evolve because we do not all have in our hearts and our minds the goodwill we need to have to help ensure that the fundamentals are there and that we move forward with them.

It is very healthy that we have dialogue around the goals of multiculturalism. It is very healthy that we look at and analyse our society and recognize the ugly face of racism, recognize that those groups, Heritage Front, the Ku Klux Klan, are here, are out there, are spreading their poison and it has to stop. This is not a place where we allow them one seed from the maple tree to settle in the earth of this land.

• (1140)

Community groups, social, cultural and educational groups contribute their skill, knowledge, expertise and creativity to Canadian life. It is the responsibility of all Canadians in the public as well as the private sector to encourage the conditions that allow all of us, regardless of our origins, to expect these principles of fairness and justice flourish and grow and that we support those initiatives.

The government's multiculturalism programs are in place to assist us in reaching this goal. It is not an unreasonable goal and it is not an unattainable goal to expect that all Canadians be integrated into our society and become contributors to the country's progress.

I did not say assimilate. I did not say that one should lose one's identity, but one should learn to live in co–operation with respect and understanding in our neighbourhoods. Those are the choices we have in this society. This is nothing more than good common sense. It allows for peace. It allows for civil society. The multicultural programs are there because unfortunately there are still barriers that prevent some individuals and groups from realizing their full potential.

Canada was founded on a tradition of democracy, decency and civility, values of fairness and justice associated with this system that have guided and shaped our social structures, laws and institutions.

We have strayed. We have erred, but we have also grown and learned to cherish the fragile form of rule that we have in place here which calls for constant vigilance. It is in civility and respect, it is in an appreciation of our diversity that we live. Pluralism, diversity, multicultural and multiracial backgrounds are our reality. Together we shall weave a tapestry that forms the fundamentals that is Canada, as we look in the House and see how different we are, how different are the geographic regions, the backgrounds, the lands and the languages.

There is no one in the House who can look back more than two or three generations, maybe four. There are some here who tell me they have been here for six generations, but that is not the lifetime of this nation. We are all different and learning to live together, respecting each other. We do not have to love each other, but we have to respect each other for our differences and yet for our Canadian appreciation of the values of life.

To live with this reality, to ensure social peace and cohesion will not happen by wishing. That only happens by working for it.

[*Translation*]

Multiculturalism is not incompatible with Canadian values. On the contrary, it is based on the principles of the rights and responsibilities set forth in the Canadian Charter of Rights and Freedoms, the Canadian Human Rights Act, the Official Languages Act, the Citizenship Act and I might even add the Employment Equity Act.

Canada's multiculturalism policy makes it possible to overcome obstacles more easily and to promote institutional change.

It recognizes the richness found in cultural diversity. It is modeled on the values which guide us, are essential to our way of life and underlie what we aspire to as Canadians.

• (1145)

When I visited numerous cultural communities across the country, I had the opportunity and the privilege to meet many men, women and young people who were all representative of today's Canadian society. Some are proud that their ancestors were among the first ones to step on Canadian soil. Others take pride in their dual citizenship, or in their newly acquired citizenship.

I met members of organizations and associations involved in many sectors, including business, health care, education, law enforcement, as well as municipal and provincial administrations, to name but a few.

[*English*]

The message is always the same. The Government of Canada must help Canadians of all backgrounds to build a society where we can live in our neighbourhood in peaceful respect, united in the common purpose of securing the well–being of our families. That is what they told me. They recognize prejudice, they recognize bigotry, and they recognize the need to ensure that we stamp it out.

I believe that the government's multiculturalism policy and the programs it supported can help to achieve this goal but only in participation with the private sector and community based groups that speak for all Canadians. Those multicultural councils are vital to our well–being.

To do this successfully we are going to have to meet a number of challenges. First, we must recognize that pluralism does not contradict our assured sense of national identity, nor does it prevent social cohesion. We must not confuse national values with cultural pluralism because values cut across religious, cultural and ethnic and racial lines.

Second, we are going to have to work on ways to facilitate the long term integration of first generation Canadians. We must give new citizens the tools to be effective, responsible, and informed so that they can contribute to Canada's development and become full and active participants in building a stronger country.

Long term integration starts with learning about Canada, starts with civics. So many of the countries from which people are coming and have come do not understand democracy as it is lived here in Canada today. They do not and have not lived in democratic states. They have fear of speech. They have fear of police. They have fear of neighbours. They have fear of difference. It is our job if we want to live together in peaceful harmony to enable them to understand they are welcome, as I said earlier, at our table as part of the family.

We teach that Canada is a democratic country. That is what we do in multiculturalism. We teach that we welcome the expression of opinion. We teach that we welcome difference while ensuring that racism and bigotry find no home here. Otherwise it is pointless and it would be a pointless lesson if we do not practise what we preach.

Democracy requires that all citizens feel they are valued in this society. They must know that the opportunities to participate are available to everyone and should be available equally. We have to stop creaming those societies of their top intellectuals, bringing them here and not recognizing their academic qualifications.

We must recognize that we must teach one of the official languages of this country. If we do not do that you cannot participate in a democratic society. You cannot shop in knowledge. You cannot look after your children and apply medications and buy medications. You cannot understand political parties. You cannot make rational decisions if you cannot read and speak one of the official languages of this country, depending on where you live and in what region you live and from where you came and what seems to adapt best to you. One of the official languages must be a part of the background of training.

There must really be no barriers to participation based on race, religion, ethnic background or language.

[*Translation*]

All Canadians must be able to express their views so as to be understood by others. This is why, as I just said, we have made education in both official languages a priority. This is important, because Canadians must have a decent standard of living, and they must participate in the daily activities of our society. Otherwise, people feel isolated; they can be manipulated and they may not lead the life they should be able to, here in Canada.

• (1150)

[*English*]

The multiculturalism program is therefore organized around four key objectives. First is to facilitate community participation and integration into the fabric of Canadian society.

Second is to help those who render services in our hospitals and health institutions and those who receive the services; the police, the municipalities and the schools as well, to ensure that their policies and programs adjust to the reality of our diversity.

Third is to strengthen social cohesion by promoting harmonious cross–cultural, intercultural and interracial group relations.

Fourth is to promote public awareness of the economic and social benefits of pluralism.

We know already that we have the support of many major Canadian organizations and institutions that understand the value of a respectful, open and participating society. One example I would give is that peaceful harmony means good business. Therefore, removing racism and acts of racial prejudice undertaking is valuable.

We thank the Canadian Association of Broadcasters which has produced $10 million worth of air time which has been devoted to the fight against racism. In our schools across this land, parents and teachers associations have helped us fight prejudice and misunderstanding in the schools and have distributed very valuable materials that are lessons in civicism and civility.

Other partners, the Conference Board of Canada and the Asia Pacific Foundation, have made it clear that diversity has an economic benefit and that pluralism gives us a natural competitive advantage in a global economy that is in itself multicultural and multilingual.

The Canadian Advertising Association has done some excellent research and has put out a document called "The Colour of Your Money" that enable us to understand how important it is to be able to deal with the customers who live on our street and in our district.

Our broad range of partners also includes the Canadian Association of Chiefs of Police, the Multicultural Help Association, the Canadian Advertising Council, the Federation of Canadian Municipalities, the Canadian Association of School Board Trustees, the Canadian Teachers' Federation, and the Canadian Conference on the Arts.

These are not song, dance and festivals. Although I would love to be able to finance them, we do not do that. They are partners that help us ensure an open, respectful and understanding society where we all have choices to live, choices to choose where and how we want to live within the laws of respect in this land so that we live in an integrated milieu that makes Canada the best place for all its citizens.

These are the partnerships along with the volunteer sector that open more lines of communication to provide all Canadians, men and women and our youth, with a greater knowledge of the richness and benefits of our diverse population.

We are working to change government from the inside as well as to ensure interracial understanding. The same way we work with shop foremen to prepare that floor as the host community to the new arrivals, so we are doing within our own house. For example, we worked and are working with the Departments of National Defence, Customs and Excise, and the RCMP to help ensure they are sensitive in their response to Canada's reality.

[*Translation*]

Our programs related to interracial relations and cultural comprehension, and also to the integration of first generation Canadians, help all Canadians, through community support, to work together to build an economically sound and socially just country.

Multiculturalism is not based on compartmentalization, nor on division.

[*English*]

It is not based on being a hyphenated Canadian.

[*Translation*]

It seeks to build an integrated society where everyone has an equal chance to succeed, as well as an opportunity to understand and apply the principles governing citizenship.

• (1155)

[*English*]

It is also not as I said before about funding song and dance, and unicultural festivals, as important as they are.

[*Translation*]

When we see the tragedies which occur every day in the world, we have no choice but to cherish human life, and that includes all men and women—Catholics, Protestants, Jews, Hindus, Sikhs, Muslims, be they black, yellow, brown, red or white—who adhere to the democratic values of the Canadian society.

[*English*]

With an investment of less than $1 per year per Canadian, the federal government helps to promote a fairer society.

In a society with a government that spends less than $1 per year but depends on additions to that dollar through the voluntary sector and through voluntary effort, the federal government helps to promote a fairer society in which all Canadians have a chance and a choice to participate equally and with respect.

This is an investment we cannot afford to ignore. The value of our multiculturalism programs to Canadian society must be confirmed by ensuring that they can work effectively within the Department of Canadian Heritage. All of us, whether in this House or not, must be ever vigilant in our defence of the values of a democratic, free and open society.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, the bill before the House today, on third reading, is Bill C–53, an Act to establish the Department of Canadian Heritage and to amend and repeal certain other Acts.

The Bloc Quebecois has five major reasons for voting against this bill. First, through this bill the Government of Canada denies the existence of Quebec as a nation and the existence of its culture.

Second, nothing in this bill points to any major changes in federal policy on defending the rights of francophones in Canada, although anyone who can read and use a pocket calculator will see that the federal government's policy on bilingualism has failed.

Third, this government has forgotten its commitment made to creators during the last election campaign with respect to patriating copyright legislation to the Department of Canadian Heritage.

Fourth, at a time when there is a growing trend towards amalgamation in the communications sector, the government has decided to confirm the separate status of telecommunications and broadcasting by making the Department of Industry responsible for the former and the Department of Canadian Heritage responsible for broadcasting.

Fifth, nothing in this bill gives the Department of Canadian Heritage any real power to control foreign investment where cultural products and industries are concerned.

I will now comment on these points one by one, to demonstrate the major weaknesses of this bill. In his speech on second reading of the bill we are now considering at the third reading stage, the Minister of Canadian Heritage defined the word "heritage" as, and I quote: "the set of signs that enable us to recognize ourselves as individuals who belong to a group or even a country".

On the basis of that definition, it was reasonable to hope that the Canadian government would recognize in law what has been a fact since the beginnings of this country and what the Laurendeau–Dunton Commission recognized, and I am talking about

the existence of two founding peoples equal before the law and of several nations. Unfortunately, this bill makes no reference to the signs that would enable Quebecers to recognize themselves as belonging to this country. This bill recognizes only one nation, the nation of Canada, and gives the Minister of Canadian Heritage the authority to promote one identity: the Canadian identity.

• (1200)

There is worse. The heritage minister, who sponsored this bill, testified before the Standing Committee on National Heritage on December 1. My colleague, the hon. member for Québec, asked him at that time why his bill made reference to only one nation, namely the Canadian nation, instead of two, that of Quebec and Canada. With the arrogance and ignorance that have come to characterize him, he replied: "I would be grateful if you could tell me, or if there is not enough time, my officials who will be testifying before you at a later date, which clause exactly refers to a single Canadian nation. All I can see in this bill is references to Canadian identity. And that is not the same thing".

Again, the minister is playing games. He is insinuating that my hon. colleague from Québec did not understand a thing.

Let me explain to the Minister of Canadian Heritage a couple of basic rules of grammar. When you write "nation", it is a singular. And singular means one, not two, because then you would have a plural, meaning more than one. When you write "Canadian nation", the word "Canadian" is used as a qualifier or adjective and, in French, the function of the adjective is to modify the word it is combined with. In this bill, we are not talking about just any nation, but the Canadian nation.

Let us take a closer look at clauses 4 and 5 of the bill, which specifically give the minister the mandate to promote the Canadian nation.

Clause 4 reads, and I quote:

> 4.(1) The powers, duties and functions of the Minister extend to and include all matters over which Parliament has jurisdiction, not by law assigned to any other department, board or agency of the Government of Canada, relating to Canadian identity and values, cultural development, heritage and areas of natural or historical significance to the nation.

As for Clause 5, it reads as follows:

> 5. In exercising the powers and performing the duties and functions assigned to the Minister by section 4, the Minister shall initiate, recommend, coordinate, implement and promote national policies, projects and programs with respect to Canadian identity and values, cultural development, heritage and areas of natural or historical significance to the nation.

In this case, there is no room for interpretation in the French version of the clause, as the word "canadiens" is spelled with an "s". If you go back to the grammatical rule I just gave, this means that the qualifier "canadiens" modifies every noun that precedes it in the sentence—the same way that "Canadian" modifies every substantive that comes after. The meaning of Clause 5 then is the following: "In exercising the powers and performing the duties and functions assigned to the Minister by section 4, the Minister shall initiate, recommend, coordinate, implement and promote national policies, projects and programs with respect to Canadian identity and Canadian values, Canadian cultural development, Canadian heritage and areas of natural or historical significance to the nation—that is to say the Canadian nation".

You will have noticed that this entire bill is predicated on the concept of a Canadian nation. For the Minister of Canadian Heritage and the cultural agencies under him, there is only one nation, the Canadian nation.

In the brief he tabled with the Standing Committee on Canadian Heritage, Mr. Monière reported to us the results of polls conducted by Léger & Léger and related by Maurice Pinard, a renowned McGill University professor whose integrity, credibility and intellectual honesty are unquestionable.

These polls show that Quebec's national identity has evolved considerably and that Quebecers are more and more likely to identify themselves as Quebecers first and foremost and not as French Canadians, much less as Canadians. In 1992, 54 per cent of respondents of all linguistic origins—this is important—referred to themselves as Quebecers, 26 per cent as French Canadians and 20 per cent as Canadians. These figures clearly point to the existence of a Quebec culture, a Quebec identity, a Quebec nation, which the bill before us does not reflect.

• (1205)

Many things were said in committee on this concept of nation. When department officials came to testify, they told us that since this bill was not a constitutional document, it did not have to mention the two founding nations of this country. I must humbly admit that I did not have time to verify this statement from a legal standpoint. But I know very well that at the time of the "beautiful risk", we tried to have Quebec's distinct society recognized in the Constitution, but the rest of Canada turned us down.

We are on the horns of a dilemma, the one about the chicken and the egg, which will be much more simple and easy to solve through Quebec sovereignty, since the government refuses to make any amendment to this bill which would have helped us feel at home in this country, even though we were the first to arrive in this country named Canada by Jacques Cartier, a country whose national anthem was composed—lyrics and music—by two Quebecers, Calixa Lavallée and Basile Routhier. We are being denied the right to feel at home in this country, so the only alternative is to leave.

Mrs. Finestone: I feel right at home, and I refuse to leave.

Mrs. Tremblay: I listened to you, Madam, so try to listen to me while I speak. Thank you.

In summary, what the deputy minister, cultural development tells us is that the Canadian identity includes the Quebec identity. He said in committee that their general vision is that the Quebec identity is a fundamental component of the Canadian identity.

This vision, which would wipe out Quebecois culture as if it did not exist by itself but was only an integral part of Canadian culture, was denounced by many groups that appeared before the Committee on Canadian Heritage during the marathon hearings which, by using dilatory procedural tactics, we were able to force the government to hold.

François Rocher, a political scientist at Carleton University, said that what the government was doing was part of an incomplete process of nation–building, based on a denial of the national realities that already exist in Canada. Establishing a heritage department is part of a much broader plan to refashion the way that Canada's identity is to be understood and expressed. Mr. Rocher thus shares the idea expressed by his colleague, Mr. Monière, who said that the heritage department was really a propaganda department.

In fact, what the government is doing is, first, to deny the social and historic reality of an existing Quebec culture and nation; second, to imagine a fictitious Canadian national community to hide the lack of a common sense of Canadian identity; third, the government wishes to promote this made–up identity and even impose it on all communities in Canada.

It is quite obvious that this is intended particularly to counter Quebec nationalism. To oppose the growing demands for particular identities, the government proposes a homogenizing national vision. However, building a national identity on the denial of already existing identities that are strong and politically articulate can only exacerbate the tensions that exist in Canada.

It must be pointed out that all the efforts of this department consisted and from now on will consist in denying the existence of a culture other than the Canadian one and furthermore in using our taxes to promote this Canadian culture on Quebec territory. Why do the Bloc Quebecois and most of the witnesses who appeared before the heritage committee so strongly denounce this denial of Quebec culture by the federal government? Quite simply, because failing to mention it in the bill means denying its existence.

Mr. Rocher said that three conditions are essential for a culture to exist. First, it must be able to express itself; that is, it must be rich and flourishing. Second, it must be able to fulfil itself, that is, be used and valued in economic, social and political activities. Finally, it must be recognized, that is, accepted and taken into consideration by other communities close by.

• (1210)

The right to exist is part of one's identity. The identity must represent something, not only for the individuals which make up a community, but also for the other communities which recognize the legitimacy of that identity.

Let us now come to the second reason why the Bloc Quebecois will oppose this bill, namely the failure of the federal government's official languages policy.

This legislation provides no major change regarding federal policies on bilingualism, as was confirmed to us, in committee, by the responsible deputy minister at the Department of Canadian Heritage. According to paragraph 4(2)(*g*) of the bill, the minister is responsible for, and I quote:

> (*g*) the advancement of the equality of status and use of English and French and the enhancement and development of the English and French linguistic minority communities in Canada;

Also, clauses 23 and 24 of the bill amend the Official Languages Act to confirm that the Minister of Canadian Heritage will be the one responsible for the implementation of sections 41 and 42, Part VII, of the Official Languages Act, which relate to the co–ordination and the implementation of linguistic policies within federal departments.

So, there is nothing new under the sun. Yet, the government should really have brought major changes to its linguistic policy. It should have clearly indicated its intention to salvage what can still be salvaged.

Let us take a look at some figures, 25 years after the Official Languages Act took effect. First, the percentage of Canadians whose first language is French is dropping drastically, and the official languages policy implemented in 1969 has done nothing to stop that trend.

According to Statistics Canada's latest census, 6.5 million Canadians, or 23.8 per cent of the population, have French as their mother tongue. In 1951, that proportion was 29 per cent.

Let us look at the assimilation rate, which is the ratio between the number of those who say French is their mother tongue and the number of those who actually use French at home. According to the latest census, the average assimilation rate in Canada, excluding Quebec, was 35.9 per cent, which represents an increase of 4.5 per cent over the 1986 figure.

British Columbia is the undisputed champion with an assimilation rate of 75.2 per cent. Saskatchewan is in second place with a rate of 69.6 per cent, followed by Alberta with 66.9 per cent. Even New Brunswick, which is the only constitutionally bilingual province and which prides itself in giving special treatment to French, has an assimilation rate of 8.7 per cent.

Some say that Quebec has the most racist linguistic policy. Yet, its English–speaking community is growing.

In the 1991 census, 9.2 per cent of Quebecers said that English was their mother tongue, while 11.2 per cent stated that they spoke English at home. Instead of hiding its head in the sand, Canada should look at what is being done in Quebec.

Let us now turn to how the federal government implements its policy on bilingualism in its own Public Service. Take Foreign Affairs, a sector that is crucial when representing Canada abroad and helping business people from Quebec, for instance.

Recent reports released by the department indicated that only 42 per cent of Canadian diplomats were bilingual and that 23 per cent were francophones, of whom more than 95 per cent were bilingual. We can therefore conclude that only 25 per cent of English Canadian diplomats speak French, which is totally unacceptable in their position as representatives of a country that calls itself officially bilingual.

The consequences of the lack of bilingual Canadian representatives abroad are well known. A unilingual francophone client abroad, whether he is a businessman or a citizen in distress, is unable to communicate with about 60 per cent of departmental officers. He cannot read unclassified documents drafted in English only and can only communicate with a minority of the diplomats in Canadian embassies abroad.

With this many of our diplomats being unilingual English, the problem is compounded when the embassy is a small one.

And what impression do foreigners get when they find that the Canadian ambassador, a career diplomat, does not speak French? That Canada is a unilingual, English–speaking country.

• (1215)

Turning to the Department of National Defence, 48.1 per cent of the total francophone establishment, both civilian and military, is bilingual, while only 6.9 per cent of the anglophone establishment is bilingual. Furthermore, 23.4 per cent of francophones are in English–speaking units and only 1.7 per cent of anglophones are in French–speaking units. There is no good reason for this. What makes these statistics even more depressing today is the closing of the Collège militaire de Saint–Jean. Both departments are, in fact, a microcosm of the situation in the federal Public Service.

In its latest report on the language situation in the federal Public Service, Treasury Board said that in Quebec, to serve a minority group that represents 10 per cent of the population, the federal government had an establishment that was of 52.7 per cent bilingual, or 15,945 positions out of a total of 30,234.

If we apply this ratio to the rest of Canada, the number of bilingual positions should be 30,666 instead of 7,465, which is the case today. So there is a crying need for 23,000 bilingual positions, which is not being met. After the Yukon, the francophone minority least well served by the federal government is in New Brunswick, where the percentage of francophones is 33 per cent and the percentage of bilingual positions in the federal Public Service is only 39.4 per cent. Applying the same ratio we applied to Quebec, the entire federal Public Service in this province should be bilingual.

It is obvious to me that the view in Ottawa is that a francophone is not worth as much as an anglophone, because when it comes to being served in one's own language, the anglophone gets the service, while the francophone has to speak English. Studies have repeatedly shown that the inability to obtain services in one's own language is a factor that contributes generally to assimilation.

If the federal government really wanted to put the status and use of French and English on an equal footing in this country, it would invest in this principle, in other words, when awarding bursaries for language training, it would give preference to anglophones in Canada with a very poor knowledge of French instead of to francophones, who generally have a fairly good knowledge of English. But no, the Department of Canadian Heritage does the opposite. On page 13 of his report, the official languages commissioner notes that of the 7,301 bursaries awarded in 1992–1993 for summer language courses, 3,150 went to Quebecers. What this program, like many others, is designed to do is anglicize Quebec, not to make Canada bilingual.

Here, I cannot help pointing out the difference in the treatment of the English and French networks of the CBC. While the CBC spends an average of $18,390 per production hour on its French network, it spends twice that amount, or $37,496, on its English network, and it does so with the blessing of the federal government, the Department of Canadian Heritage and the Canadian Radio–Television and Telecommunications Commission.

In this regard, the Canadian Broadcasting Corporation continues to be a clear example of what the federal government has in store for French in Canada and of the collusion of Canadian institutions in the implementation of this unequal status.

I could not close this chapter on the failure of 25 years of bilingualism policies without sharing with you some information that appeared in the summer issue of *Language and Society*, a magazine put out by the Commissioner of Official Languages. This particular issue looked at the accessibility of health services in the language of the minority. It contained the following lines: "The government of British Columbia has instituted a program of access to multilingual services. French is not included, however, even though francophones form the fifth largest ethnic group in that province. Language assistance is offered in Chinese (Mandarin and Cantonese), Punjabi, Spanish,

Somali and Vietnamese, even though Vietnamese is only the sixteenth largest ethnic group in the province".

Surely British Columbia holds the gold medal for assimilation, since it does not offer any health services in French to its French–speaking population.

• (1220)

The spokesperson for the provincial Department of Health, Mrs. Susan Gee, explains the situation this way, and I quote: "There are not enough Francophones in British Columbia". Yet, there are more Francophones than Vietnamese. "They are not considered immigrants and they are expected to be bilingual since they are Canadians". In other words, they are expected to speak English.

Other provinces have no policy regarding the provision of health services in the minority language. As one witness told the committee: "Call 911 just to see if you can get service in French". When you think about everything the federal government said against user fees and its refusal to do anything to provide health services in French, there is only one conclusion to be drawn.

The third reason why we oppose this bill is that it gives the Minister of Heritage the power to legislate with regard to copyright. Let me remind the House that we have been waiting now for almost nine years for the Copyright Act to be amended. Let me also remind the House that the legislation was supposed to be amended under the previous government and that the current Minister of Heritage, when he was appointed, appeared before the Committee on Canadian Heritage, that was last April, and told us that the reform of the legislation was one of his priorities. At that time, he said it was only a matter of weeks before he could table the bill. However, creative artists will not even see the legislation before Christmas.

Why? Because the Copyright Act is essentially the responsibility of the Department of Industry. Every creative artists' group has demanded that the act be transferred to the Department of Heritage. All those who came before the committee indicated that the Department of Industry is in a conflict of interests in this matter. Indeed, the department must protect the interests of consumers and corporations, which are in direct contradiction with the rights and interests of the artists.

Before the election, even the Liberal Party had recognized that this was inappropriate. In response to questions by the Canadian Conference of the Arts, the Liberals wrote: "The Liberal Party will have as a priority to review the Copyright Act. We will make sure that, above all, the writers reap the fruit of their labours, while easing the access to copyrighted material. Liberals understand how important copyrights are. That is why we will review the Conservative decision to share this jurisdiction between two departments, when reorganizing the administration."

This at least is one case where the Liberal Party has not kept its word and that is most unfortunate. In an almost unprecedented effort of manipulation, the chairman of the heritage committee did his best to make us and the witnesses believe that his government had, in fact, proceeded to review the Conservative decision but had finally decided that it was more logical to leave the responsibility of the Copyright Act with the Department of Industry.

His attempt to save face failed. Indeed, senior officials from the Department of Industry, who drafted Bill C–46 establishing this department, said before the industry committee that all they did was put into legislative terms Ms. Cambell's reform. This evidence was corroborated by Heritage Canada officials who, during the briefing session given to our staff, stated that Bill C–53 was just a housekeeping bill whose sole purpose was to put into legislative terms the Campbell reform, and not to correct its flaws.

Officials from the Department of Industry went even further. When questioned by the committee chairman, they stated that it would not help to add a reference to copyright in the Heritage Canada legislation. They said that if we had to add this kind of reference every time the interests of two departments overlapped, we would never see the end of it. By saying this, these officials confirmed what many had told us in committee, that the government amendment to Bill C–53 regarding copyright does not give the minister any new powers.

As my colleague for Richelieu said in committee, since the legislative power with regard to copyright rests with the Department of Industry, the protection of the rights of creative artists comes down to a matter of credibility and the strength of individual ministers.

• (1225)

Given the clout and credibility of the present Minister of Canadian Heritage, creative artists have good reason to be pessimistic, and they have the whole–hearted sympathy of the official opposition.

By its refusal to give copyright legislation to the Department of Canadian Heritage, the government has shown that it could not care less about creative artists. It sends an alarming signal to the artistic community and cultural industries. We all remember the decision made in the Ginn transaction, and we all know how that sorry saga ended.

I cannot conclude without saying a word on our last two reasons for voting against this bill. Against all logic, as far as the defence of our cultural industries is concerned, the Canadian government maintained another decision made by Ms. Campbell, splitting broadcasting and telecommunications.

At a time when convergence is critical to the activities of our cultural industries, it was important to rescind the decision separating two things that, by nature, belong together: telecommunications and broadcasting. The message this government sends to people in the communications business is that financial interests will take precedence over cultural interests in Canada and Quebec. That is a very serious problem because the value to be gained from the information highway will not be the physical network itself, but rather the information travelling through that network.

I would also like to say that today, we are witnessing another shift toward the industry department. Indeed, as for copyrights, the federal government chose to leave to the Department of Industry jurisdiction over foreign investments in cultural industries, thus giving to the Department of Canadian Heritage only the power to develop cultural policies. The former Department of Communications had that power. It used it to develop a publishing policy which the government light–heartily violated in the Ginn case and in the Maxwell–McMillan versus Prentice–Hall case, as well.

I am getting to the conclusion, which is simple: this government, with its Bill C–53, once again simply lacks vision.

At the dawn of this crucial year for our collective future, the Canadian government had a unique opportunity to send clear messages to the citizens of this country, whom the Department of Canadian Heritage has a mandate to protect. As a member of Her Majesty's Loyal Opposition, this saddens me. But as a sovereignist, I am very happy that the government did exactly the opposite of what Canadians were expecting, but exactly what Quebecers were hoping for.

It simply denied the existence of our nation. It does not suggest any move to frenchify English Canada and to stop the bilingualization of Quebec. On the contrary, in our opinion, clause 4(2)(*g*), which provides for the advancement of the equality of status and use of French and English, is not even worth the paper on which it is written. Finally, the government has not lived up to the expectations it had instilled in creative artists and an important part of the tools it could use to defend culture and creators is now in the hands of the Department of Industry. The government has just officially placed an important part of the Canadian Heritage under its administrative supervision.

For all those reasons, the Bloc Quebecois will oppose this bill. It is narrow–minded, dangerous for the Canadian nation and disrespectful towards creative artists. There is only one hope for Quebecers, which is to choose to have their own country. Only then will they be able to express their own culture and have it recognized for the best of our collective future.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Madam Speaker, I rise to speak at third reading of Bill C–53, an act to establish the Department of Canadian Heritage.

• (1230)

I must say it has been a unique experience to participate in the process of presenting this bill to the House, to hear the responses of so many of my colleagues at second reading, to acknowledge the efforts of all of us in committee and now finally to speak once again at this next step in its passage. In my view this represents the best of what democracy has to offer us: freedom of speech and the opportunity to disagree and present alternative points of view. Having said that, will we be left yet again with the status quo?

Speaking from this side of the House I believe that our point of view has enriched the debate as the government has continued its creation of a superministry of cultural identity. We have presented many arguments to challenge the new ministry. As I have said before, it denies us an opportunity to define ourselves as Canadians despite the insistence of some that it provides and promotes greater understanding and a greater sense of intercultural endeavour.

What is occurring is the legislative entrenchment of grants to a host of special interest groups. The total of all special interest group funding throughout all government departments is rumoured to be approximately $500 million. The government has not been specific in terms of the cuts it plans to make to special interest groups. Responses have ranged from the preparation of guidelines to the anticipation of reduced funding. There is nothing explicit in that regard but to wait until the February 1995 budget.

It is obvious the government is not comfortable discussing expenditure reduction. This is odd especially at a time when Canadians are seeking a more open approach to governance. It is also odd at a time when the opportunity to present a model for change, as has been presented in the creation of the Department of Canadian Heritage, has not been seized. The circle of virtue is reduced to a vicious circle and the status quo remains.

The ministry consolidates several subcabinet departments: the Secretary of State; the Department of Multiculturalism and Citizenship; the Department of Fitness and Amateur Sport; Parks Canada; components of Environment Canada; and the heritage component of the Department of Communications. I will focus further on a number of these departments in this presentation.

Given the unacceptable, incomprehensible and contemptuous personal attack made yesterday by my colleague from Carleton—Gloucester with no regard or relationship to Bill C–53, I will clarify for the member the Reform Party's position on languages. I hope he will be able to understand this clear policy.

The Reform Party supports the promotion of language policy centred on the following:

[*Translation*]

first, freedom of expression; second, recognition of the French language in Quebec and of the English language in other provinces; third, recognition of bilingualism in important federal institutions, including the Parliament of Canada and the Supreme Court; and finally, recognition of bilingualism wherever the number of people warrants the presence of services in both official languages.

[*English*]

Explaining further so as to be perfectly clear, let me quote the hon. member for Nanaimo—Cowichan. He explained during second reading of the bill that the official languages policy is divisive. For proof of this, one need only to be reminded of the pejorative, anti–women comments that were hurled my way yesterday by the member for Carleton—Gloucester.

My hon. colleague from Nanaimo—Cowichan stated that "the mandate calls for the advancement of the equality of status and the use of English and French. Under this mandate the ministry will spend $24 million this year on official languages in education. The Constitutions of 1867 and 1982 clearly state that education is a provincial responsibility. Why then is this ministry spending a quarter of a billion dollars in this area of provincial jurisdiction?"

• (1235)

We oppose this bill for a number of reasons, only one of which is our opposition to the government's official languages policy. I would like to quote the profound words of my colleague from Surrey North when she questioned the need for this department.

The hon. member stated: "Webster's dictionary defines heritage as something that we inherit at birth; in other words it is like a legacy. It is something or anything that is derived from the past or from tradition. By definition then, heritage of an individual or a group or a country is what we actually inherit at birth, that which was created and moulded by the actions of those who preceded us just as what we do now in our lifetime will become the heritage or the mould of the lifestyle for those who come after us".

She went on to say: "Those in the present inherit a base from the past to build on for those in the future. Instead of there being a specific Department of Canadian Heritage, all departments or ministries should be responsible through the legislation they propose for the development and maintenance of everything we do, of the heritage for those who are to follow, not just a single department".

Let me share with the House a story about a man by the name of Glenn Bradley. I found his story in the book *Worlds Apart: New Immigrant Voices* written by Milly Charon. His story is titled "The Dilemma of Multiculturalism". This is Glenn's story and it constitutes the bulk of my remarks today. There is a poignancy to this story that I will leave with the House.

Language and nationality are current issues in today's society. In view of the laws and general social outlook in Quebec, one has to realize that to survive here, one must become French. Many of the language problems exist today because the younger generation did not want to learn to speak French, perhaps because of their parents who may have been immigrants and wished to keep the old ways and mother tongue dominant.

I grew up under the new age of political reform in Quebec. The social phenomenon of the quiet revolution and le Front de Libération du Québec were part of my childhood surroundings. These events played a part in the rise of the supremacy of the French language in Quebec.

My parents witnessed these social reforms and decided that if I was to have a future in Quebec I would have to learn to speak French.

They could have rebelled in their own way. They could have brought me up with all the Scottish traditions they had been raised with. However, teatime, the clans, and Robert Burns were not to play a part in my childhood education.

My family roots are deep in Scottish soil. My parents and all my ancestors were born in Scotland. My parents decided to leave their homeland in the late 1950s. At that time, Quebec was looking for skilled workers.

My father, who had been an engineer on merchant ships sailing out of Scottish ports, decided that Quebec would be the ideal place in Canada where his skills would land him a job without too much difficulty.

Quebec City was my parents' first stop, but when they realized that Montreal was the industrial centre of the province, they moved to St. Michel, a suburb.

My father worked in the oil refineries in the east end of Montreal and continued to do so even after the family moved to Duvernay, a predominantly French Canadian sector of the city of Laval. They chose Duvernay deliberately because they realized that the children they were planning to have one day would be able to learn French by association with the other people in the area.

During my early school days in the late 1960s, my father had decided that the shift work in the refineries would interfere with his responsibilities as a parent. Education was booming in Quebec, and the need for technical teachers was great. My father capitalized on this and easily landed a job with the Protestant School Board of Greater Montreal as a metalwork teacher for Monklands High School in Notre–Dame–de–Grâce. At the time, my mother was the vice–principal of Laval Highcliff Elementary School which I would attend.

Because both my parents were involved in education at different levels, it made them realize that if their offspring were to flourish in this country, they would need a good education.

In the late sixties and seventies the Laval school started testing its program with bilingual classes for elementary school children. Highcliff was chosen as the test school, and a group of students who were considered above average would take their classes in French. I was lucky to participate in that program.

My interest in the French language actually had started almost from the moment I could talk coherently. Living in a French neighbourhood meant that whenever you went out into the street, nine times out of ten the other children were speaking what I thought was a strange language. Little did I know that "ballon–chasseur" was dodgeball and that "cache–cache" meant hide and go seek. From then on I was determined to learn what they were saying so that I would not be at a disadvantage when playing with them. Oddly enough, this decision made when I was five years old would dominate the rest of my life.

Since English instruction in the French school system left much to be desired and I was already starting to learn French, I decided I would play ambassador. Just as an ambassador is a liaison in another country, my role would be liaison between the two languages. Imagine my surprise when I confronted the children in the street with my first garbled speech in French, my strained "bonjour, je m'appelle" was returned with "maudite bloke" a reference to the somewhat square–headedness of the English population. Chalk up one for French Canadian nationalism, I guess.

Good old Scottish stubbornness, or whatever you want to call it, made me decide to beat them at their own game. I excelled in my French studies through bilingual and immersion programs to a degree where my knowledge of the language and grammar was perhaps better than that of the French children themselves.

Unfortunately, the responses I received had gone from one extreme to another. Although I got along with the other children, I was never really accepted by them. I finally discovered the reason why. French Canadians hated the French from France almost as much as the English. My French accent was almost like that of the people French Canadians called "les snobbes".

By the time I was 13 I realized that French Canadian was a proper language and a culture all of its own. I decided to treat what I had already learned as a separate language and discover exactly what French Canadian was and is.

In my final years of high school I delved into dozens of written novels, the works of Savard, Thériault and Vallieres, the plays of Tremblay and Gélinas and the poetry of Vigneault and Nelligan. From these pieces written by prominent French Canadian authors I was able to obtain a good grasp of the emergence of the French Canadian culture in Quebec.

It was interesting to witness the transition in myself. I was so involved with these studies that a few of my high school buddies started calling me Frenchie. I graduated from high school feeling very comfortable with my knowledge of French Canadians. As strange as it may sound, perhaps I had too much knowledge.

Just before heading off to Carleton University to study communications, something in my brain snapped. I began thinking I was French Canadian. I did everything to convince myself that I was. I had become a staunch Parti Quebecois supporter. I even cried when René Lévesque lost the sovereignty association vote. I defended everything that was considered French Canadian.

At Carleton I was elected president of the Francophone Club. My plan for assimilation might have worked except for two things: my name and my ancestors. Once again my wise parents from the old country came to my rescue. They were able to grind into my thick skull that should the situation in Quebec worsen, my name alone would make me stand out like a sore thumb.

For most people it might have been too late to change, but at 18 I began learning about my own cultural history, the glory of the Scottish clans and all the benefits that Quebec and Canada enjoy today because of Scottish immigrants. Robert Bruce, Mary Queen of Scots and the poet Robert Burns are well–known names in Scottish history, but what of those who immigrated to Canada and gave so much of their time and efforts to build this country?

Lord Selkirk, a Scottish philanthropist and colonizer was responsible for bringing immigrants to Prince Edward Island. They later spread to Nova Scotia and established a colony there. Selkirk opened the west with his settlements in the Red River Valley in Manitoba.

Scottish immigrants were instrumental in the establishment of the fur trade in Canada and played the greatest part in the foundations of education in this country.

Early Scottish settlers placed top priority on education. The first non–sectarian school for higher education in Nova Scotia, Pictou Academy, was founded by a Scot. Dalhousie University, McGill University in Montreal, the University of Toronto, Queen's, St. Francis Xavier and the University of New Brunswick all owe their establishment to Scots.

Sir Alexander Mackenzie, trader and explorer, discovered the Mackenzie River and was the first white man to cross the northern part of the American continent to the Pacific Ocean. Simpson and MacTavish are other names synonymous with the building of our country. Alexander Mackenzie, a Scot, was Prime Minister of Canada between 1873 and 1878.

In addition, Scotsmen and Canadians of Scottish origin have played formidable roles in communications and journalism. There has been George Brown, founder of the *Globe*; William Lyon Mackenzie, founder and editor of the *Colonial Advocate* and one of the leaders of the 1837 rebellion; John Nielson, editor of the Quebec *Gazette*; John Dougall, both father and son, of the Montreal *Witness*; and Hugh Graham, Lord Atholstan of the Montreal *Star*.

Suddenly a new dimension was added to my research for cultural identity. I realized that I was neither Scottish nor French Canadian. Talk about an identity crisis! Because Canada is not the melting pot that characterizes the United States, there is really no distinct Canadian culture. Therefore, I didn't consider myself to be a Canadian. I was a mixture, a part of three great nationalities.

After much deliberation I decided that the only way out of this dilemma was to combine the best parts of all three nations. To become a part of the French Canadian culture, to be accepted as an equal, I needed more of the expressions in daily use.

To accomplish this I spent the summer of 1981 working in a French children's camp. That summer was the turning point in my life. I not only picked up the oral requirements but also a large group of French Canadian friends.

I learned more about Scottish culture by reading books and poetry by Scottish authors, as well as the stories of the clans. I joined a curling club to get a taste of a Scottish sport and social gathering.

In order to become more of a Canadian, I relaxed my hard line views on independence for Quebec. I now try to picture Canada as a whole and am more sympathetic to the feelings of the people in other provinces.

I thought I was all set—I had satisfied my goals and those of my parents. The one thing I had forgotten to consider was my friends.

Each group of friends I had made in the past few years had accepted me in the way I related to them. I was the one who had adjusted easily to each group by simply changing my frame of mind and attitude to what each group was interested in and expected of me.

I went partying with my French Canadian friends, bar hopping with my anglophone high school buddies and was involved in intellectual stimulation with my university associates. Each world was different, yet I fitted easily into each one. What I had failed to consider was the interaction between the groups.

I soon discovered through trial and error that my old high school friends would not be accepted by my university buddies; nor would my English friends be accepted by my French Canadian friends and vice versa.

This created a situation which is similar to the problems of Quebec society today. Because of my personal experience, I feel French Canadians and English Canadians will never associate unless some concessions are made by both sides. We will always run into people of both cultures who will refuse to speak the other's language. There is animosity even within each cultural group—animosity caused by intellectual, social and economic differences.

If only we could learn from one another, if we would be willing to mingle, we could absorb a great deal by association. With understanding comes acceptance. Unfortunately the situation may not be resolved in my lifetime. To keep the peace, the cultures may have to remain apart.

I don't favour apartheid in the South African sense, where one culture is discriminated against on economic, social, political and colour levels. I do believe, however, that many cultures can coexist in one province as long as there is agreement on the equal value of each.

My plight is understandable. I enjoy the knowledge of many worlds, yet to keep harmony among them, I have to keep them separate. Therefore, in a sense, I am trapped in the middle of all three groups.

Because I can't combine all these worlds, despite the fact that each has so much to offer, I have to spend an equal amount of time in all of them.

Although it is satisfying to experience the diversity, you can't give 100 per cent of what we have to share and at the same time receive 100 per cent of what everyone else has to offer. The basic explanation for someone in this dilemma is that you can be acquainted with many, but totally involved with none.

It is another way of explaining and learning to live with loneliness.

• (1250)

That is the end of Glenn's story in *The Dilemma of Multiculturalism*. We will notice in all the text there is no mention of dollars spent but one man's effort to become more familiar with his own identity, his own cultural roots, and to try to find a way in which he could fit into a culture in Quebec and still remain associated with the rest of Canada.

I leave the story with the House without further analysis. I think it is worthy as a reflection on what it means to be a Canadian living in this country of ours today.

I am going to move now to an experience I had as a member of the Standing Committee on Canadian Heritage when we had one of our witnesses come to speak to us about the issue of multiculturalism. His name is Dr. Rais Khan and he addressed the issue, stating that both the act and the department were evidently intended to facilitate integration of the different cultural groups into the Canadian society. But the policy of multiculturalism has become subverted in this noble intent. It has encouraged ethnic and cultural groups to perpetuate their distinctiveness and has thus prevented them, even though inadvertently, from integrating into the mainstream of society. Official bilingualism has erected cultural barriers and gender discrimination and encouraged social ghettoization.

Let me give an example of how multiculturalism goes wrong, an example with which my Liberal colleagues will most certainly agree, as did the Minister of Canadian Heritage.

Multiculturalism gets twisted to such an extent that groups of individuals believe that by virtue of being a member of some identifiable group they deserve special funding and privileges. This is clear as was the case with the Writing Thru Race conference which was hosted in Vancouver by the Writers Union of Canada. This conference refused to allow anyone of non–colour to attend, that is to say whites were barred from attending a conference which received funding from the Canada Council. Thankfully the minister heeded my advice and took away part of their funding.

Dr. Khan, as he continued in his presentation to our committee, explained:

> The exotic multicultural concept of the everlasting immigrant has come to function as an institutional system for the marginalization of the individual. While this is not hopefully the intent of official multiculturalism, it certainly is its consequence. Culture is not only a selective demonstration of exotic events; it is how people live and interact with one another in their daily lives. Canada in the next century will not even have a dominant plurality. What is especially puzzling is why the advocates of multiculturalism, many of whom are so–called leaders of ethnic communities, have embraced such a discriminatory label. The misdirected and shortsighted actions and propositions in the name of official multiculturalism have generated mounting criticism of both its intent and direction. The voices of criticism come from both old Canadians and new ones, from intellectuals and ivory tower academics, from writers of colour and those who lack colour, from respondents to several recent public opinion polls and from government appointed commissions.

Dr. Khan also drew our attention to the Keith Spicer citizens' forum which, in recognition of the inherent deficiencies and drawbacks of official multiculturalism, called upon the Government of Canada to eliminate funding for multicultural activities except those serving immigration orientation, reduction of racial discrimination and promotion of equality.

I believe this is the crux of the problem. Even the proponents of multiculturalism support the policy because in their view it contributes to immigration orientation, reduction of racial discrimination and promotion of equality.

It is a curious situation of people from opposing spectrums—those who oppose multiculturalism as well as those who support it—agreeing to a common set of objectives.

• (1255)

It is not just the Reform Party that has expressed what so many other voices are saying. The objectives that multiculturalism seek to promote are immigration, orientation, reduction of racial discrimination, enhanced participation and promotion of equality.

These can be just as effectively achieved through the implementation of the provision of the Charter of Rights and Freedoms supporting the Canadian Human Rights Commission and the acknowledgement of the opportunities offered through the Department of Citizenship and Immigration.

Special treatment to some at the expense of others is discriminatory in and of itself. No one is saying that ethnic groups should be suppressed in the Canadian context. Rather, our vision of Canada should be committed to the goal of social and personal well–being that values individuality while emphasizing themes like family, community assumption of responsibility, problem solving and communicating these value sets to a means of better group life. However at no time should the rights of a group supersede the rights of individuals unless the group happens to consist of a majority within Canada.

As I said earlier, I have concentrated most of this presentation on multiculturalism because it is something about which all of us in the House feel deeply. I also have to say that I am looking forward to 1995. We definitely have challenges lying before us in the new year. My wish for all of us, as we enter the new year, is that we use our collective wisdom in the decision days of 1995 that lie ahead of us.

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Madam Speaker, I will be splitting my time with the member for Oakville—Milton.

On behalf of the Minister of Canadian Heritage I am pleased to have the occasion to speak on the third reading of Bill C–53, an act to establish the Department of Canadian Heritage.

Our debate has underscored the importance that the legislation be swiftly passed to establish in law the Department of Canadian Heritage. We are marrying programs that have been living together for more than a year. The departmental programs

are working well. The job of Parliament is to formalize its name and its existence, enabling the Minister of Canadian Heritage and the department staff to carry out, in a single ministry, related mandates previously held by a number of separate government departments.

In reference to why the Department of Canadian Heritage is so vital, we like to use the term synergy. We believe the combined impact of the whole of the department exceeds that of its individual parts. We believe the formation of the new department has enhanced and strengthened the effectiveness of many of its programs.

The Department of Canadian Heritage brings together important common elements of the federal government, those elements which define Canada as a multifaceted dynamic nation with a rich cultural and natural heritage.

The department is responsible for everything relating to Canadian identity and values, cultural development, heritage preservation, and areas of natural or historical significance to Canada and to Canadians, values that we share and that unite and define us.

While the discussions concerning Bill C–53 have been interesting, many of the arguments put forward against the formation of the department are fundamentally flawed.

Opposition members have tried to erect roadblocks in what should have been a routine legislative exercise. Those roadblocks were reduced to speed bumps as the necessity for the legislation became clear. It is an important and vital tool for the effective and efficient government Canadians want.

The leader of the Reform Party of Canada has argued against Bill C–53. On December 7 he spoke before the Standing Committee of Canadian Heritage. He expressed the view that multiculturalism, one of the components of the new department, is the responsibility of individual private associations and, interestingly enough, where necessary lower levels of government: not the role of the federal government.

• (1300)

Conversely, he alsc stated or asserted his belief that the federal government should confine itself to combating racial, linguistic and cultural discrimination. While as usual condemning the whole program, he supports most of our multicultural activities. He is the master of contradictions.

Assisting all Canadians to participate in Canadian life and access the same rights helps them to contribute to and ultimately change society so that it reflects the lived experience of all Canadians. Yet there are always going to be individuals who will blame one identifiable group for whatever social or economic ills that disturb them.

As the government and as individual Canadians, we must recognize that understanding and respect between peoples is central to combating racism and other forms of discrimination. We have to build that awareness into our social structure at all levels of society.

At the federal level there is an important and essential leadership role to play. In its 1992 report the Canadian Human Rights Commission stated that "economic hard times and human rights make uneasy bedfellows".

Tolerance for diversity and human difference becomes diminished during times of fiscal difficulty. In times like these the temptation is to make choices: economic over equality issues. If our mandate is to create opportunity then it must be for all and not just for the privileged, well positioned and fortunate.

[*Translation*]

The criticisms of Bill C–53 voiced by the leader of the Reform Party clearly shows that his party's policies are not rooted in the life and the future of all Canadians.

The minister's multiculturalism programs support a wide variety of activities which promote the integration of first generation Canadians, irrespective of their origin, into the social, cultural, economic and political life of Canada. We all benefit from the contribution of each Canadian to the growth and development of our country.

The contribution of all Canadians is an integral part of the strength and diversity of Canadian culture. Culture is the very basis of Canadian identity and sovereignty. As a whole, the arts and our cultural industries contribute over $24 billion to the gross domestic product, and this is about 4 per cent of the GDP and 660,000 jobs. This is no accident; it is the result of the commitment and determination of successive governments, and of the enormous pool of talent in Canada. The Department of Canadian Heritage will be at the centre of government action in the area of arts and culture.

To help artists and creators even more, the heritage minister announced an amendment to Bill C–53, which would give the department significant responsibilities in matters of copyright. Copyright legislation, which determines the ownership of works of art, is vitally important to artists and the income they derive from their work. This is a most timely measure for artists and creative artists, some among whom earn the lowest wages in the Canadian economy. This is a positive, effective and efficient change.

Change is also part of the life experience of Canada's First Nations. Native culture is part of our history and our heritage, and it enriches the Canadian identity significantly. At the present time, more than a million aboriginal Canadian citizens, members of our First Nations, are at a crossroad. In 1986, Bill Erasmus, then Grand Chief of the Assembly of First Nations, said that native people would have a lot to contribute in the next century. "It is our turn", he said.

• (1305)

[*English*]

The Department of Canadian Heritage is a proud partner in this process, administering a number of important programs to support aboriginal citizens in defining and participating in addressing the social, cultural, political and economic issues affecting their lives in Canadian society.

Aboriginal peoples launch and manage the programs which are community based and include such initiatives as the aboriginal friendship centre program, the northern native broadcast access program and the aboriginal women's program, aboriginal representative organization programs.

[*Translation*]

During the whole debate on this bill, Reform Party members have also expressed their opposition to the official and legislated recognition of both official languages in Canada. Canadians support the notion of two official languages for the very simple reason that these are the languages they speak and they are attached to them. For instance, in spite of the ever present threat of assimilation, minority francophone communities have gone from barely surviving to having their vested rights recognized. There is no way back.

On the contrary, the government recently embarked on a process which is the logical and unavoidable consequence of its vision of linguistic duality and of its action in this area. This process is aimed at involving all federal institutions in the development of minority official language communities, in accordance with section 42 of the Official Languages Act.

Obviously, the Department of Canadian Heritage is not the only institution able to play a critical role in the full development of official language communities. Interdepartmental consultation will help the machinery of government to promote the development of both official language communities, in every field of activity.

[*English*]

Canadians are open to the reality of the country with two official languages. The Reform Party opposition is a view that a majority of Canadians do not share. Sixty–four per cent of Canadians expressed support for the policy in an April 1994 Angus Reid survey. Provincially, support ranges from 88 per cent in Quebec to 73 per cent in the Atlantic region and a solid 59 per cent in Alberta. Over all, the last 10 years have witnessed stable and solid national support which continues both in principle and practice.

In addition, if one considers on the one hand the progress of official language communities in minority situations, thanks to their determination and the commitment of government, and on the other hand the overall support of Canadians for the policy of official languages, it remains imperative to establish the Department of Canadian Heritage in law.

Under its official language promotion programs, the department encourages not only the development of official language communities throughout the country, but also the recognition and use of both official languages in Canadian society as a whole. The strenghthening of our country's linguistic duality promises to improve opportunities for all. The Reform Party members would do well to recognize and accept this reality and join Canadians in the benefits accrued by it.

I commend the member for Calgary Southwest who went to St. Jean last summer to learn French. But the question remains how the member can oppose official language funding but does not mind using official language funding.

We all know that the 1993 reorganization of government was carried out with a view to streamlining the business of government and adapting the structure of government to improve the services it provides to the public. The aim of reorganization was to establish better, more efficient and more effective government. The Department of Canadian Heritage epitomizes that type of government.

I urge my colleagues to recognize the role the Department of Canadian Heritage plays in promoting Canadian values and support the efforts of the public service.

• (1310)

The Acting Speaker (Mrs. Maheu): The hon. member has about seven to eight minutes.

Ms. Bonnie Brown (Oakville—Milton, Lib.): Madam Speaker, I am pleased to speak at third reading of Bill C–53, an act to establish the Department of Canadian Heritage.

As a member of the standing committee, I have had an opportunity to review the legislation and to hear firsthand accounts from witnesses. I believe this bill to be an accurate reflection of the mandate, activities and role of the department in fulfilling the mandate of the Government of Canada on several important fronts.

The department's programs have an effect on our day to day lives and their relevance, be it cultural or economic, is felt by each of us. Within this department are the programs that speak to us regarding what it means to be Canadians, that set us apart from the rest of the world and that have helped Canada earn its top ranking by the United Nations for overall quality of life.

The new Department of Canadian Heritage embodies the democratic principles that are inherently Canadian. We are a nation forged on fundamental respect, respect for basic human rights and values, respect for the use and equal treatment of two major official languages, French and English, respect for cultur-

al diversity and respect for the traditions and contributions of our aboriginal peoples.

Today countries throughout the world are trying to discover the formula that will enable them to create a real sense of national identity among groups of different ethnic, cultural, linguistic and racial backgrounds. Many of these countries are now taking a serious interest in the 100 per cent Canadian model we have created which exemplifies respect for each other no matter what our backgrounds.

In the bill creating this department, the government undertakes to advance the equality of all Canadians in their country's social, economic and cultural life. It recognizes the need to eliminate the barriers that divide Canadians and to provide opportunity to establish bonds built on confidence and mutual respect.

We know that social cohesion and a strong national identity can only be accomplished where there is understanding, awareness and respect among all the people who make up our country.

As the Right Hon. Lester Pearson put it: "In a diverse federal state such as Canada it is important that all citizens should have a fair and equal opportunity to participate in the national administration and to identify themselves with and feel at home in our national capital".

I am proud to be a member of this Liberal government that believes in tolerance among its citizens and which strives to ensure that people of all origins who come to Canada have an equal opportunity to contribute to its growth, development and an evolving sense of identity.

Our diversity is one of the things that makes us stronger and more competitive in the global economy. The range of languages we speak, the cultures we know and understand provide us as Canadians with a distinct advantage from an international trade perspective. This has been recognized by the president of the Royal Bank who indicated that our future success as a nation depends on our harnessing the richness of diversity within the country so that we can become truly competitive in the global marketplace.

Dr. Barbara Ward, the British economist and writer, described us as the world's first international nation. We are admired abroad for the society we have built together and we can take real national pride in this accomplishment.

This bill provides the government with an opportunity to forge ahead in an area which has proven to be of real importance to Canadians time and time again. They want a government that will lead them forward in building a society that encourages all its citizens to contribute economically, politically, socially and culturally to all aspects of life in this great country of ours.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, Bill C–53 certainly has given rise to a lot of criticism for a bill that was supposed to be a simple housekeeping measure.

It must have become quite obvious by now that the Official Opposition is dead against this bill. And our reasons for opposing it are far from cosmetic. They have to do mainly with the very essence of our cultural identity as Quebecers as well as the necessity of ensuring the survival of our culture through a sensible handling of the copyright issue.

• (1315)

First of all, after education and postsecondary education, the federal government has now extended its involvement to mass communication, even though this is clearly an area of provincial jurisdiction. In fact, the federal government is centralizing more and more, and this bill is but one example. That is why we denounce the deceit in calling the department to be established the "Department of Canadian Heritage", when this is just a disguised way of establishing a department of culture and to invade a provincial jurisdiction. The people of Quebec wonder why they should contribute financially to a scheme to deny that Quebec is different, unique, as a nation, when even the staunchest federalists in Quebec recognize this fact.

My hon. colleagues will be reminded that, equipped with international agreements, English Canada is now in a position to counter cultural invasion from the U.S. This is a totally legitimate concern, seeing how important it is to differentiate oneself from such a powerful neighbour and to manage one's cultural resources. But why can Quebec not have similar concerns? Why would the government not feel the need to also do something to protect the rights of creative artists on its territory?

Following government reorganization, copyright, which used to be with the Department of Communications and the Department of Consumer and Corporate Affairs, would now come under the Department of Canadian Heritage and the Department of Industry. Instead of using this restructuring as an opportunity to concentrate copyright responsibilities at the heritage department, which is the only one mandated to protect the work and its creators, the government persists in its paralysing indecision with regard to copyright.

Such dichotomy only leads to divergent political priorities, especially when the officials of the two departments involved see the issue in totally different lights.

For instance, Paul Racine, Assistant Deputy Minister, Cultural Development, told the Canadian heritage committee: "—the fact is that the minister and the department set all copyright policies and oversee the drafting work—as was done in the past and will be done in the future with Phase 2. In other words, they do all the work from A to Z. As I told you, this was recognized by previous Prime Ministers through repeated formal ministerial delegation and it is, in my opinion, recognized in law for the first time through this amendment. It is a matter of fact. Whoever gets the ingredients, cooks and serves them may or may not be called a chef, but he or she certainly bears a close resemblance to one".

However, there appears to be several chiefs, as Mr. Von Finckenstein, Deputy Minister at Industry Canada, told the Standing Committee on Industry something quite different. He said: "Before the merger, copyright was in the Department of Communications and the Department of Consumer and Corporate Affairs, together with all other intellectual property, be it patent, trademarks or copyright. This whole division has now gone to Industry. It has not been broken up or changed. The people in charge of copyright are the people who once worked for CCA on this matter. As for their mandate, which is to develop copyright policy, the Minister of Industry is indeed ultimately responsible for the application of the law and for amending it, but policy decisions are obviously made at the cabinet level, where the Minister of Canadian Heritage, for instance, can put forward the cultural point of view". That is what Mr. von Finckenstein said.

Therefore it is total confusion, the department of tutti frutti, as my colleague from Rimouski—Témiscouata calls it. Even the officials do not know who really is responsible for the Copyright Act.

The government is supporting a myth and confusion by letting people believe that the heritage department plays the leading role with respect to copyright, when the real power clearly resides in the industry department.

• (1320)

It must be noted that the deadlock blocking revision of the Copyright Act is partly due to conflict between two ideologies: protecting the creative artist vs. protecting the consumer. Performing artists, creative artists and copyright holders do not benefit from this division; rather it is those whose concerns have nothing to do with cultural development, values and identity.

Furthermore, it is totally unacceptable and far–fetched to put the Copyright Act, which protects the economic and moral rights of creative artists and the holders of these rights, under the Department of Industry. It is ridiculous to put copyrights on the same level as trade–marks, patents, industrial designs and integrated circuit topographies, as in paragraph 4(1)(*h*) of Bill C–46.

Those who propose that copyrights be under the sole jurisdiction of the Minister of Industry are wrong. Such a decision would greatly jeopardize cultural creativity in Quebec and in Canada. Obviously, the cultural sector is an industry, in the sense that it generates an important economic activity, but it is certainly not an industry like the other ones.

Cultural development depends on the Copyright Act, which allows artists to be associated with the economic life of their works. Consequently, if the current apathy persists, it could seriously hurt a very important cultural industry. The government approves enormous budgets to defend and promote Canadian identity. Is it not high time this government recognized the cultures which are part of that identity and are its very foundations, and show some respect for the artists who shape these cultures?

The government's apathy is all the more incomprehensible considering that the Liberal Party often insisted that even though culture generates economic activity, it cannot be treated like other industries. Moreover, the Liberals pledged, in their red book, to support production, marketing and distribution, so as to promote the circulation of Canadian books, films and recordings on the domestic market, to consider allowing investment tax credits to stimulate the production of such works, and also to consider the possibility of providing income averaging mechanisms in the Income Tax Act, for Canadian artists. However, the Quebec and Canadian cultural industries, and the artists, are still waiting.

Also, in answer to questions from the Canadian Conference of the Arts, the Liberal Party pledged, during the last election campaign, to review the Copyright Act and ensure above all that authors get their dues, while facilitating access to material protected by copyright. The Liberals claimed to understand the importance of copyright. It made a commitment to restructure the administrative organization and review the Conservative decision to split this jurisdiction between two departments. But again, our artists are still waiting!

These facts and the delayed amendment minister Dupuy put forward when he appeared before the committee show the lack of interest and the total lack of respect of the government for Quebec and Canadian artists and cultures. Allow me to describe the disrespectful attitude shown by Liberal members of the committee. I have already mentioned the last minute amendment put forward by the Minister of Heritage.

One of the committee members, a loyal and faithful Liberal, said that, when the amendment was proposed, everyone in the room applauded and commended the minister's decision. Not so, Madam Speaker! The members of the other parties did not applaud. The people representing the artists did not applaud

either, especially since the same hon. member had just finished saying that these people had "pleaded" with the committee to have the opportunity to present their very legitimate requests. What a respectful attitude for the government members to have!

The artist are, in fact, far from satisfied with the minister's amendment. That is what they told us. Several associations from both Quebec and English Canada, who were able to appear before the Committee on Canadian Heritage because of pressure by members of the Bloc Quebecois, told us they were disappointed with and concerned about the attitude of the government.

Twenty–five Quebec and Canadian associations, representing more than 30,000 writers, creative artists and performers, sent an open letter to the Minister of Heritage asking to complete the review of the Copyright Act, in light of the following nine recommendations: the confirmation of the creative artist as the first holder of the rights to his or her work; the recognition of neighbouring rights; the adjudication of consequential rights to visual artists; the protection of works for the rest of the life of the author or the copyright holder; the use of technologically neutral definitions; compensation through private copy; the establishment of a rental right; the elimination of all exceptions to the protection of works; the adoption of adequate sanctions to protect the rights of creative artists.

• (1325)

These demands are far from being unreasonable since numerous countries have included them in their legislation. Germany, Japan and France have all adhered to the 1961 Rome Convention, but Canada has not. These G–7 countries have recognized the need for royalties on private copy, but Canada has not. France and Germany have legislated on neighbouring rights, but Canada has not; it does not seem to find it appropriate to do so.

In conclusion, I would say that it is through copyright and neighbouring rights that creative artists and copyright holders can ensure the continuity of their creative work by receiving just compensation for the use of their work. The present situation has to change. Not only is this situation unacceptable in the context of a society that claims to respect the people who are the source of its cultural heritage, but its national and international notoriety makes it embarrassing for Quebec and Canada.

This government will soon prove to us that it sees culture only as a symbol that can generate money.

The least we can say is that, with such a policy and such a government, the future is certainly not bright for the pillars of Canada's and Quebec's cultures. Let us be realistic and not mince words: the government is showing once again that it is totally incapable of taking a stand in favour of artists and understanding the interests of creative artists.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Madam Speaker, I would like to comment on the speech made by the hon. member for Québec.

I would like to know her definition of a Quebecer. I often hear the Quebec nation defined as including the English, the Irish and the Scots. Does it include the Jews and other groups or are we talking about old French Canadian families exclusively? I would appreciate her comments on this definition. How does she see the Quebec nation?

Mrs. Gagnon: Madam Speaker, I am a little surprised the hon. member for Bonaventure—Îles–de–la–Madeleine should ask this question. As a Quebecer himself, he ought to know.

A Quebecer is, first of all, someone who lives in Quebec and is defined as such by his language and culture. I am not going to make a long speech about what it means to be a Quebecer. If the hon. member has trouble explaining what it means to him to be a Quebecer, then he is the one who has a problem.

Mr. Gagnon: Madam Speaker, I have no trouble defining what I am and explaining who I am.

However, in this debate on Quebec nationalism, which has been going on for some time, there are people who claim that Quebec includes all minorities. But all I keep hearing from the opposition is that there are Quebecers whose ancestors settled here long ago and that the partnership and participation of other cultures has become irrelevant.

I am not asking the hon. member to tell me where I fit in but to tell me whether the English, the Irish and all other minorities are part of Quebec as we know it today. That is all I want to know.

Mrs. Gagnon: Madam Speaker, a Quebecer is someone who believes in Quebec values. He believes he can identify himself as a Quebecer. A Quebecer is someone who travels. I heard Mr. Dupuy say that when he is in Canada, he says he is from Quebec, and when he is in another country, he says he is from Canada.

I have no trouble identifying myself. When I travel throughout the world, and I have had several opportunities to do so, when I am outside my country, outside Quebec, I say I am a Quebecer. When I say I am a Quebecer, people realize I am a francophone, because outside Canada, people know there is a francophone majority living in Canada. This is a way of identifying myself as a Quebecer.

A Quebecer is also someone who believes in his or her values. I think Quebec must have all the tools it needs to be able to decide its future.

• (1330)

Centralizing all decision–making authority and standardizing all programs the way the government is doing today is not going to help Quebec find its identity.

The Acting Speaker (Mrs. Maheu): Five minutes left for questions and comments. Any more comments?

Resuming debate. The hon. member for Bonaventure—Îles–de–la–Madeleine.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Madam Speaker, of course I intend to support the government's new proposals for Canada's cultural sector.

When I hear the opposition condemning the very existence of Canada and the fact that Canada has done nothing for the French fact, I think that is absolutely untrue and unacceptable. Some people are looking for a definition of the Canadian nation, and it seems that originally, Canada was a word that meant "village" in one of the aboriginal languages. A village is a community where people live together, and these people have worked together to build a country.

I may remind the opposition that this Canada, this village we have created is the envy of the world. I could refer again to the view shared by the United Nations that Canada still ranks first as the best country to live in.

Consider how Canada developed. The first colonists who came to Canada wanted to make a new life for themselves. My ancestors, as those of the member for Quebec with whom I share the same surname, landed on the île d'Orléans in 1642. My ancestor, Maturin Gagnon, one of the first French settlers, wanted to start a new life. Obviously, through the years, there has been many changes and historical upsets, but I believe that Canada and its very existence as a country, has made it possible for the Canadian Francophonie to thrive.

I believe that this fact must not be ignored. I believe that the nature of Canada, as a state, resides in its linguistic duality, and the generous reception given to the cultures which have contributed to the development and the building of this structure called Canada. Among those who came were the Irish, the Scots, the Jews, the Asians and the Europeans, to name a few. People from 160 countries have contributed, in one way or another, to the creation and the building of the Canadian federation.

There are 6 million francophones in Quebec, more than one million of whom are new Quebecers, and anglophones who also contributed to the development of Quebec, as part of Canada, of course. Everybody was the better for it: Montreal became the first metropolis of the Canadian federation. The river brought people to Montreal, but I do not want to focus on the past, I want to speak of the future. This is the spirit of a true Canadian: someone who looks towards the next century.

And there are over half a million francophones in Ontario. A third of the population of New Brunswick is made up of francophones. There are tens of thousands of francophones in Manitoba and in the western provinces. They are there, they exist, they are counting on the support of francophones in Quebec to keep this country united.

• (1335)

I would go even further. Unfortunately, nationalists never take into account the contributions of francophones outside Quebec. Carmen Roy was not even mentioned. There is Angèle Arsenault, Édith Butler, even Roch Voisine. These are francophones outside Quebec who not only ensure in some way the French presence outside Quebec but could also be considered as some of the greatest figures of French culture in Canada.

I told you about the francophones outside Quebec but not about the success of bilingualism. Some vainly tried to prove quasi scientifically that bilingualism does not work. But there are more than 4.4 million Canadians who master both languages. I had the opportunity to go to Vancouver, where I made a speech to young people who, much to my surprise, spoke a more than proper French. This was music to my ear. I also received well written correspondence in French.

We must not forget that, in 1977, 237 schools offered an immersion program to 37,835 students. In 1988—these are Anglophone students registered in immersion programs—there were 1,500 schools and 241,140 students. Within ten years, bilingual and immersion programs increased by 700 per cent. I think what makes French so vital and attractive is the growing interest of many young English Canadians for the beautiful language of Molière.

Certain people have attempted to minimize and trivialize the efforts made by some provinces, but they overlooked the fact that more than 27,000 students in British Columbia, more than 26,000 in Alberta, 18,000 in Manitoba, and even 115,000 in Ontario go to immersion schools. It is very interesting to travel in English Canada and meet these young people who were able to benefit from this program. And believe me, Madam Speaker, these young people are very grateful for it.

Canada has an international reputation as a leader, for the way it treats its minorities, be they francophones outside Quebec or anglophones in Quebec. Of course, there are other minorities and, to me, this makes the strength of this country. This diversity of cultures, this meeting place of ideas, Madam Speaker, that is what Canada is all about.

Some hon. members: They do not even have washrooms.

Mr. Gagnon: Well, my friend, let me tell you something about washrooms. In the Magdalen Islands, there is a small English school for which the province of Quebec is responsible but it refuses to grant the money needed to rebuild this school used by English–speaking children. The school has water and electrical problems and the window panes are broken. It no longer meets the needs of the population but unfortunately the Government of Quebec is waiting for the Government of Canada to foot the bill and build a school for these English–speaking children. That is how some minorities are treated in Quebec.

But enough of that. I invite the members of the opposition to go to Grosse–Île, in the Magdalen Islands, and see for themselves in what condition that small English school is today. I am sure the story would make the front page of Quebec newspapers.

• (1340)

We were talking about a meeting place of ideas. We know that English is spoken by more than 800 million people in the world and that there are more than 20 million who speak it right here Canada. That is where this meeting place of ideas, new found solidarity comes from. That is what we find in Canada. When you have a chance to travel, as I have had the privilege of doing for decades, you can always appreciate the bilingualism, the biculturalism, the openness and tolerance of Canada. This is something we must never forget.

When I see how weak the nationalist philosophy, the separatist philosophy is, I find it sad that they do not realize that it is because of the federal presence that Quebec has been able to find its identity. We never hear the opposition talk about the contribution of the Canadian government to Telefilm Canada, the National Film Board, the CBC or independent productions. We never hear the opposition talk about that. All it does is constantly deny the facts and knock what makes this country what it is.

There is much to be done and I think it is interesting that the learning of the second language, as I have said earlier—in survey after survey, we realize that more than 75 per cent of Canadians are in favour of institutional bilingualism.

Mr. Chrétien (Frontenac): You should come to my riding and see if that is the case.

Mr. Gagnon: Madam Speaker, it is the hon. member of the opposition who should come to my riding.

[*English*]

I am going to turn to the English language. I have been privileged and I hope I am sharing this with a number of other young Canadians. I have seen here a number of anglophones who have names like McClarty, McPherson, who have names that are of Asian origin, who are now taking the leap toward bilingualism, who are now moving beyond bilingualism because they can now master three and four languages. That is the strength of Canada.

It is a privilege to speak in this forum today in both official languages because bilingualism is not only a tool for our regional and economic development but is also a part of who we are. In doing so we now can pick from the French culture, from the English culture, from the other cultures around the world that have come here to work as one. That is one of the fundamental issues that will be discussed in the upcoming Quebec referendum.

It will be up to the separatists to prove that Canada does not work. I am from the Gaspé peninsula which is 96 per cent French speaking. I attended French schools but I had the opportunity of mingling with English friends. I have had the opportunity of moving on. I have had the opportunity of exchanging with all Canadians from all walks of life. There is not one person in Canada I have met whom I do not like.

I think Canadians are understanding. We are a tolerant society and regrettably the opposition, including some members from the Reform Party, is not aware of the fortitude, of the fact that being a Canadian is more than a privilege, it is something other countries wish they had.

Obviously the opposition will have the opportunity to react, not only following this speech but in the upcoming referendum.

[*Translation*]

Mr. Lebel: Start with liking Quebecers.

Mr. Gagnon: "Start with liking Quebecers"—Madam Speaker, can you beat that? It bothers them to hear a young person like me identify himself as a Canadian of French origin, a Canadian who went to the trouble of learning the second language, who took the trouble to travel, visit and study with English Canadians. Sometimes it hurts the separatists to hear that. Unfortunately, we live in a changing world and unfortunately the opposition is unable to meet the challenge of Canadian federalism.

I have heard all kinds of speeches from the opposition, on Pierre Elliott Trudeau, Sir Wilfrid Laurier, St. Laurent, on real French Canadians, good Canadians who built and implemented programs from which I benefit.

• (1345)

This brings me to an important point on the official languages in Canada. Let us look at the efforts made by Pierre Elliott Trudeau to have the French fact recognized, to be served—yes, maybe not as well as we would like in Bonaventure or Montreal or other places—but I think this recognition of the French fact by the rest of Canada, of the existence of French, and promoting the language—it is an incredible achievement of our Liberal predecessors.

Let us talk about another great Canadian, a great Quebecer—

Mr. Chrétien (Frontenac): René Lévesque.

Mr. Gagnon: René Lévesque. You have it: René Lévesque, who grew up about 30 kilometres from my home town of New Carlisle, in the Gaspe peninsula.

Like René Lévesque, I come from Gaspe but, unfortunately, none of us can pretend to be Gaspesians first and foremost. This is very interesting. I can tell you that: René Lévesque was among the first to recognize the importance of speaking both French and English. He was open to the world.

I must say, however, that it is thanks to Pierre Elliott Trudeau and those who followed in his footsteps that Canada has become the country that we know today.

I will not talk much long longer because I am anxious to hear the slanderous and malicious criticisms of the opposition throughout the afternoon. I challenge the opposition to find a better country than Canada.

Mr. Chrétien (Frontenac): Quebec.

Mr. Gagnon: Quebec is part of Canada. No independent country enjoys a reputation such as that of Canada. Unfortunately, we only hear hogwash from the opposition. And that is unfortunate.

I invite opposition members to make a comparison. I am speaking to you as a Quebecer, a Gaspe native, a francophone. I am asking you to take into account the efforts made on this side of the House, to recognize the efforts made by this party, the efforts made by some English–speaking members.

I see the hon. member for Ontario, who is an English–speaking Canadian. I do not always share his views, but here is a young man who went to the trouble of learning French. There are others too. I do not know them all, but several have made the effort. I believe this is the beauty of our country. This is what makes it interesting.

We will overcome each of the obstacles set up by the opposition, starting with the upcoming referendum.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, I wonder in what country my colleague from Bonaventure—Îles–de–la–Madeleine lives. It must be a country somewhat different from ours.

I too live in Canada. I must agree with him that, as long as the referendum is not a done deal, I still live in a country called Canada. I think he does not live in the same country as the rest of us, because he may speak English, but he does not read it. Last week–end, there was an article in the *Globe and Mail* depicting the bilingual situation and the assimilation level of French–speaking Canadians. I referred to it this morning in my speech, and I believe the hon. member was here at the time.

The assimilation rate throughout Canada is 36 per cent. Bilingualism is highly praised and my colleague can be proud to be Canadian as much as he wants to. He has the right to be proud, I do not deny it. But what is surprising is the fact that he does not better understand the country, or the part of the country he comes from.

• (1350)

He told us about a school in the Magdalen Islands which was in bad shape, but he must not forget that Quebec is just getting out of its torpor after nine years under a Liberal government. Liberals were in office for nine years. So, if the people in the Magdalen Islands were not able to fix the windows in their schools or make any renovations, it is because of the Liberal government which has been ousted in Quebec. There is no doubt that Mr. Garon, to whom we will forward your complaints, will hasten to find a way to solve this problem, because he has solved many problems in other small schools.

The hon. member said he had never heard the official opposition make any positive comments about federalism, but I think all my colleagues have heard me say how much we owe to the CBC. That corporation helped us get out of the hole and believe in what we were. It also helped us define what we were and get over the Dark Ages in Quebec, all thanks to a great Liberal federalist, Jean Lesage, who was a federal minister here, in Ottawa, before returning to Quebec to tell us: "Come on, Quebecers! Let us be masters in our own house!"

Mr. Gagnon: Madam Speaker, it is always a pleasure to discuss with the hon. member for Rimouski—Témiscouata. I think she does have a lot of respect for my region, for the Gaspe peninsula, and for the problems, mainly economic, that we have in my constituency of Bonaventure—Îles–de–la–Madeleine.

Unfortunately, I do not agree with her option, which is legitimate in a way—Quebec's separation. But as a federalist, I will tell you that the CBC's achievements she talked about are precisely the result of co–operation among all Canadians, between anglophones over there, anglophones over here and francophones across the way. That is what has made and will continue to make the strength of Canada.

That is why, with the recognition of the CBC's achievements, and the commitment of the federal government to defend, promote and ensure the development of the French fact in Canada, the next century is most promising for Canadian unity.

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, let me remind the hon. member for Bonaventure—Îles–de–la–Madeleine that we are paying 25 per cent of the CBC budget, but we cannot say that the English network is of much use to us. I would like to go back to the remarks made by the hon. member, who said that all official opposition's comments were hogwash.

I think the hon. member has no respect for the vote of confidence given the elected members of the Bloc Quebecois, for the mandate they were given to come to Ottawa to work after Quebec's interests. That is exactly what we are doing today, defending Quebec's interests. I think the hon. member does not respect our mandate.

After all, we are a majority in Quebec, a majority of Quebec MPs. I hope very many Quebecers will have heard the hon. member say in this House today that our comments are only hogwash and I hope they will draw their own conclusions from his disrespectful remarks.

An hon. member: Downright insulting.

Mrs. Gagnon: It is not the first time I hear the hon. member speak that way. He talks as if the world revolves around him. He is the centre of the universe and says: "Just look at me; I am well–travelled, I am fantastic."

An hon. member: Yes, he is an only child.

Mrs. Gagnon: I do not think it is fitting for a member of this House to say: "Just look at me; I am well–travelled, I am fantastic".

An hon. member: Yes, indeed. "Look at me. I have risen to the top of the heap".

Mrs. Gagnon: A member should represent the public, be the voice of the people. The people of Quebec have given us a vote of confidence and sent us to Ottawa to defend their interests.

We defend positions that are not being defended by federalists living in Quebec, who want to repatriate powers, who want full control in Quebec. We did not invent that.

Mr. Gagnon: Madam Speaker, I think it is uncalled for to call someone—I will not repeat the words that were used to describe me.

• (1355)

I am criticized for having the intellectual curiosity to be interested in what is happening elsewhere and for wanting to share this with Quebecers. I have always recognized the existence of the Official Opposition. It hurts them to hear this voice from the Gaspe, this young federalist, because, and you know this as well as I do, we represent the majority of Quebecers.

Look at the results of the last election in Quebec. Scarcely 44 per cent of Quebecers supported the Parti Quebecois. Unfortunately, the opposition, and especially its home base, are not so sure they want to have their referendum as soon as possible. Increasingly, Quebecers are recognizing Canada's role and the generosity of the Canadian federation.

An hon. member: Token Quebecer.

An hon. member: Opportunist.

Mr. Gagnon: I hear terms being used like "token Quebecer" and "opportunist". I hear all kinds of things from the opposition. I am proud to be the member for Bonaventure—Îles–de–la–Madeleine, I have the confidence of my riding and I am working in the best interests of my constituents, and this means being in Quebec, a Quebec that is part of Canada. Is that clear?

S. O. 31

The Speaker: It being nearly 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

STANDING COMMITTEE ON AGRICULTURE AND AGRI–FOOD

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, at yesterday's meeting of the House of Commons Standing Committee on Agriculture and Agri–Food I tabled a report entitled "Future Directions for Canadian Agriculture and Agri–Food: A Huron–Bruce Perspective".

This report is the result of a series of intensive meetings which I organized in my riding with the objective of taking stock of where those who work in the agri–food sector today see their industry going tomorrow.

It was designed to support and enhance the objectives of the study on the future of agriculture on which the committee, together with its colleagues from the Senate, has been working since August, and which as a result of those who claim to represent the interests of the grassroots community has been effectively blocked from undertaking its most important phase, consulting directly with Canadians who work in Canada's agri–food sector in their workplaces.

I would encourage all members to initiate something along these lines to complement the work that is being done for what is after all one of Canada's major bedrock industries.

* * *

[*Translation*]

FRANCOPHONE COMMUNITIES

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, last week, in its Saturday issue, *The Globe and Mail* revealed alarming statistics concerning francophones outside Quebec, despite the Official Languages Act passed 25 years ago.

In fact, francophones have never been so vulnerable. More than a third of francophones outside Quebec speak English at home and their rate of assimilation is at 36 per cent. It is as high as 75 per cent in British Columbia and 70 per cent in Saskatchewan.

Instead of helping francophone and Acadian communities in Canada, federal institutions are speeding up their assimilation. The refusal of the Minister of Canadian Heritage to put pressure on cable companies such as Rogers, Laurentien Cable and Cogeco, which recently decided to eliminate several French–

language channels from their basic service, paints an even darker picture of Canadian federalism.

* * *

[*English*]

WORLD CUP SKIING

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, this past weekend the 1994 Women's World Cup alpine races were held in Lake Louise, Alberta, the heart of Wild Rose country. I would like to extend my sincere congratulations to the organizers of this prestigious event. With their tireless efforts Lake Louise has proven to be first class on the world skiing stage once again.

There are four individuals who must receive special recognition: John Cassels, race chairman; Bruce Hamstead, chief of race; Bill Webster, president of Alpine Canada; Brien Perry, president of Alberta Alpine.

On behalf of the constituents of Wild Rose we are all proud of the contribution they have made to the sport of skiing in Canada.

Well done, Lake Louise.

* * *

• (1400)

CANADIAN CHILDREN

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, Christmas is a time for hope and renewal. As we prepare to leave the House of Commons in order to return to our families and friends in our ridings we should be mindful of the children of Canada, symbols of hope for our future.

Children are the ones most impressed with what Christmas is all about and unfortunately they are sometimes the most disappointed and discouraged because of circumstances beyond their control. Poverty, hunger, illiteracy, domestic problems and other challenges often get in the way of what should be a season of joy and happiness.

As we leave here this week, let us rededicate ourselves to our children, always treating them with care and giving encouragement. Our children are our future and we can make a better life for them by remembering every day that they hold in their hearts the special meaning of Christmas.

To my colleagues and to you, Mr. Speaker, Merry Christmas.

* * *

PEACEKEEPERS

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I would like to read from a soldier's letter I received not long ago:

> I am in the Canadian Armed Forces and have been for 10 and a half years. I have been to Cyprus, Somalia and at this very moment am in Yugoslavia. I am sure you get hundreds of letters per day from people expressing their views on every type of situation going. My letter is just a get to know you letter.
>
> I read in your 1994 fall report that a Yugoslavia family received a Canadian flag as part of their welcome to Canada. The only Canadian flag I've seen is on our sleeves. Could you please send me a Canadian flag for over here and also a calendar to mark off the days left on my tour.
>
> Waiting to hear from you. Yours sincerely—

I immediately sent this young soldier every Canadian flag I could lay my hands on plus 100 pins.

As we approach Christmas, let us remember it is not enough just to talk about how much we value those who help and serve us, we must also show it by our deeds.

* * *

RAOUL WALLENBERG

Mr. David Berger (Saint-Henri—Westmount, Lib.): Mr. Speaker, January 17, 1995 will be the 50th anniversary of the arrest of Raoul Wallenberg by the Soviet army.

In 1944 Wallenberg, a Swedish diplomat and businessman, persuaded his government to send him to Budapest where he rescued thousands of Jews by sheltering them in protected homes, flying the flags of Sweden and other neutral countries.

After his arrest Wallenberg disappeared in the Soviet prison system. Over the years various human rights groups have acted on his behalf and tried to get from the KGB information about his whereabouts.

No one knows definitively whether he is alive or dead. The Government of Canada should persist in its efforts to obtain from the Russians the real truth about what happened to Raoul Wallenberg and a pubic acknowledgement of his contribution to humanity.

As Elie Wiesel has written, Wallenberg will forever testify for man's need to remain human and his ability to succeed.

* * *

[*Translation*]

INTERNATIONAL TRADE

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, for over a year, subject to a great deal of blackmailing and arm-twisting, this government and its international trade minister have completely given in to the United States in every trade dispute opposing Canada to that country. For instance, the government reneged on its solemn promise and accepted to limit the exportation of Canadian wheat to the U.S.

In the case of uranium, the government let the Americans cook up an agreement with Russia which is discriminatory for Canadian producers. As for sugar, it knowingly sold out our producers who are now excluded from the American market. And now, the government is once again giving in to American pressure by accepting to make the payment of $800 million owed to Canadian lumber producers conditional to the signing of an agreement between the two countries.

After being in office for over a year, the Liberals have proven, beyond any doubt, that their strategy regarding trade with the US is an utter and complete failure.

* * *

[*English*]

BILL C–226

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I was pleased to participate in the debate of Bill C–226 and in a free vote last Tuesday night which sent Bill C–226 to the Standing Committee on Justice and Legal Affairs. This bill would strike section 745 from the Criminal Code, thereby denying those sentenced to life imprisonment the opportunity for early parole.

The bill passed by a vote of 136 to 103. This bill demonstrates how the use of free votes can make meaningful input from all parliamentarians and it also demonstrates the value of a truly representative legislature.

• (1405)

I must commend the member for York—South Weston for having the conviction to put this bill forward. I would like to commend all those in the House who voted in favour of this bill.

This is truly a victory for free votes and truly a victory for Canadians who demand a safer society.

* * *

RAILWAYS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I welcome the decision by the Minister of Transport to turn down the offer by CP Rail to purchase the CNR east of Winnipeg.

I want to suggest to the minister that what he should do now as a second step is abandon his plans to privatize or commercialize the CNR in some way and rather turn his attention to how to create a larger policy environment in which railways can once again thrive in this country.

We need to do things about the tax system. We need to look at ways in which the costs that the railways incur are incurred by them directly in a way that other transportation modes do not have to do similarly.

There are a lot of things that the minister could look at to return railways to the prominent place that they once had, not for the sake of a romantic vision of the past but for the sake of the environment, for the sake of the future.

I believe that rail is the transportation mode of the future. I would ask the minister to consider ways in which he could strengthen CN and railways in general in this country.

* * *

FRIENDSHIP CENTRES

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I rise today to recognize the contribution of the 114 friendship centres across Canada.

These centres provide vital services to aboriginal peoples, including job training and placement, literacy, advanced education, child care and substance abuse counselling.

Forty years of experience and a large volunteer base provide friendship programs with the ability to address aboriginal needs in a culturally relevant and fiscally responsible way.

It is important that we continue to support our nation's friendship centres. We need to help strengthen the network of support services they have built. We need to ensure that friendship centres can continue to offer their important services to aboriginal Canadians now and tomorrow.

* * *

FIRST NATIONS POLICING SERVICES

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, it is my pleasure to inform the House today that the Government of Canada has successfully negotiated a number of community tripartite agreements with five First Nations and the province of British Columbia.

Under these agreements aboriginal members of the First Nations common policing service will be dedicated to provide improved safety and security for the people living in the Haisla, Fort Nelson and Prophet River, Nanaimo, Nanoose and Nisga'a First Nations.

This RCMP First Nations community policing service will be able to provide policing services sensitive to the needs and culture of the people living in these communities.

These agreements were signed under the terms of the federal First Nations policing policy. Under this policy the federal government pays 52 per cent and the province 48 per cent of the cost of the police service.

I am sure all members will join me in congratulating the Ministry of the Solicitor General, the Government of British Columbia and the five First Nations.

S. O. 31

MICROCELL 1–2–1

Mr. Dennis J. Mills (Broadview—Greenwood, Lib.): Mr. Speaker, MicroCell 1–2–1 is turning on. The personal communications system revolution in North America has started and Canada will be the first.

MicroCell 1–2–1 has the vision, the people and the technology and the $500 million in capital required to start building the most advanced personal communications network in Canada.

The time has come to celebrate the launch of this new era and to do that MicroCell 1–2–1 invites every Canadian child and his grandparents on Christmas Eve to visit one of the following locations and call anyone they love in the world on their public network for free.

The freedom of expression sites are the Place Fleur de Lys in Quebec, Eaton Centre in Montreal, the Bayshore Shopping Centre in Ottawa, the Pacific Centre in Vancouver and the Community Info Access Centres of Toronto.

Free long distance calls for Canadian children and their grandparents on Christmas Eve; watch your local newspapers for further details and other locations to be announced.

Congratulations to MicroCell.

* * *

• (1410)

[*Translation*]

SOCIAL PROGRAM REFORM

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, we learned yesterday, on TV, that some people were flying to Finland on a Concord to meet with Santa Claus. Yet, I was always told that Santa Claus lived at the North Pole, and was therefore a Canadian.

Well, it is bad enough for Canadians to learn that RRSPs will be taxed and that the GST is here to stay. Social program reform, unemployment insurance cuts and tuition fee increases are nothing pleasant to put under the Christmas tree. New taxes, supposedly temporary, are no way to start the New Year.

As if we did not have enough bad news, the government is letting them take away our Santa.

Just one more thing: what happened to the red book reindeer in all this?

* * *

[*English*]

PETRO–CANADA

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, in 1988 Petro–Canada entered into an agreement with Daly Enterprises of Saint John, New Brunswick. Four years later Petro–Canada, whose motto is "committed to Canadians", reneged on its commitment, saying: "If you don't like it, take us to court".

In a blatant attempt to force Daly to sell its prime locations, Petro–Canada is demanding a 24 per cent interest charge on money it claims Daly owes. This is not an isolated case.

Many Canadians are appalled by this insensitive loan shark behaviour from a company that is still 70 per cent government owned.

Last Thursday in response to a question about the bullying tactics of Petro–Canada against the Curtis family, the Minister of Natural Resources seemed surprised and said she would look into this situation.

On behalf of all Petro–Canada dealers who believe they have been shafted, it is incumbent upon the minister responsible to launch a long overdue investigation into its questionable business practices.

* * *

[*Translation*]

MANITOBA ASSOCIATION OF BILINGUAL MUNICIPALITIES

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, about ten days ago, the Manitoba Association of Bilingual Municipalities held a forum in St. Boniface entitled *Think Globally, Act Locally* or *Vision globale, action locale.*

This seminar was organized to look for ways to improve economic development in our communities. Weaknesses, such as duplication and lack of planning, were mentioned and examined, but strengths were also found: a well–educated and well–trained bilingual manpower, and a deep commitment to improving the quality of life.

[*English*]

This is an excellent example of English and French–speaking people working together to improve the quality of life of their citizens.

* * *

[*Translation*]

CANADIAN FLAG

Mr. Peter Milliken (Kingston and the Islands, Lib.): Mr. Speaker, 30 years ago, a resolution of the House of Commons approved the new Canadian flag. Today, we are celebrating this major event.

This flag originated at the Royal Military College in Kingston.

[*English*]

There one day in early 1964 the Hon. George Stanley, who was then the Dean of Arts at the Royal Military College, pointed out the RMC flag to a member of this House's flag committee, the Hon. John Matheson, who was then the member for the county of

Leeds, for the constituency of Leeds, and is a cousin of mine. Mr. Matheson's design was subsequently adopted as the Canadian flag after a very long and bitter debate in this Chamber.

Today all Canadians are proud of our great flag. Long may it wave over a strong and united Canada.

* * *

SOCIAL PROGRAM REFORM

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, many of my constituents of St. John's East have given the discussion paper on reforming our social programs serious consideration. They have written and phoned me with their views and come into my office for meetings. Also, over 100 constituents turned out to a public meeting that I hosted on November 29.

I am pleased to say that this meeting was a success. It was good to see on a cold Newfoundland night that there was a good cross–section of people in my riding who had come out to express their opinions.

I am currently preparing a report which summarizes the points made at the meeting and will be forwarding it to the minister and the standing committee on human resources.

The government has asked Canadians for their views on social security reform. I have told my constituents that I will ensure their views on this issue are well known.

* * *

• (1415)

SPECIAL INTEREST GROUPS

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am pleased to rise and submit my second Liberals copy Reform award.

Number two on the list is the hon. member for Hamilton—Wentworth who said: "The practice of using tax revenues to finance special interest groups with particular axes to grind has created a multimillion dollar system of bureaucratic patronage that operates with little accountability to ministers, MPs, the media, or the taxpayer".

It appears that Liberal backbenchers are finally beginning to see the light and have added the Reform blue book to their reading list.

Unlike the red book the blue book calls for the reduction and/or elimination of funding to special interest and advocacy groups. Unfortunately cabinet is not listening.

To date we have seen no action by this government to cut back interest group funding. To cabinet we say enough is enough.

Listen to what the Reform Party is saying. Listen to what the Liberal backbenchers are saying. Stop funding special interest groups and start giving taxpayers a break.

ORAL QUESTION PERIOD

[*Translation*]

TAXATION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, for 14 months now the Minister of Finance has been utterly unable to convince his Cabinet colleagues to take the measures necessary to bring about a substantial reduction in his deficit.

In an attempt to fulfill their commitments and reduce the deficit to 3 per cent of the GDP, Liberal members are proposing to further increase the burden of taxpayers, who are already weighed down with taxes, particularly those in the middle class.

Given that now is the time when taxpayers make decisions about the amounts they will invest in RRSPs, would the minister simply take advantage of this final question period to reassure worried taxpayers by undertaking publicly not to tax RRSPs in his next budget?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the member for Roberval knows very well that we will have to wait for the budget. The Minister of Finance is not really in a position to make budget announcements here, in the House, even if Christmas is approaching. We will have to wait until the end of February.

That being said, I am sure the member will admit that if we wish to meet our objectives, cuts will have to be made. It would be of great help if his party would make constructive suggestions on exactly where we should cut.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, this being the festive season, I will cordially remind the Minister of Finance that we have been suggesting tax expenditure cuts for more than a year now. What I cannot understand is why he does not implement our suggestions. We will make some more before the holidays, if he wants to keep an ear out.

I will even offer him a suggestion today. The national Treasury should make a priority of recovering $6.6 billion in unpaid taxes owed to the government. We are not talking about people who have paid their taxes, but about unpaid taxes totalling $6.6 billion. Since he should first recover this amount, could the Minister of Finance then undertake not to look at taxing group dental and medical plans, which have a particular impact on families?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, despite repeated efforts on this side of the House the Bloc still does not understand what accounts receivable are.

In the accounts receivable there are many Canadians who are having difficulty paying on time, but who have made arrangements with the government to pay over a period of time. They owe us money. No question. They pay it back with interest.

Also in that accounts receivable are certain Canadians who dispute tax questions with us. They say we do not owe as much as you say. When we examine their documents we often discover that they are right. I certainly do not think we should be collecting money from Canadians who do not owe it to us.

• (1420)

The accounts receivable are exactly that. We are coming off a bad recessionary period, the Tory recession. We are coming on to the margin recovery. We are doing all we can to help Canadians who are having difficulty and who are now getting back on their feet.

The last thing we are going to do is force them into receivership and bankruptcy by the policies adopted by the Bloc Quebecois.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it may be that I do not understand what an account receivable is at Revenue Canada, but the Auditor General of Canada and I think alike. Neither of us understand. These members do not understand and neither does the public. The minister is the only one to understand.

Some hon. members: Hear, hear.

Mr. Gauthier (Roberval): Let me get back to my question to the Minister of Finance, Mr. Speaker. Perhaps I will get a serious answer. Does the Minister of Finance see the commitment his Prime Minister made during the election campaign not to raise taxes for two years, a solemn commitment made to all Canadians, as a commitment that should be honoured? And if so, why does he not come out and say so clearly, today, instead of letting uncertainty hang over the heads of taxpayers?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, more to the point, we have to ask ourselves: is our tax system, here, in Canada, entirely fair? Or does it have loopholes, a point that some of the hon. member's colleagues have already raised? Are there loopholes that should not be looked at?

If, contrary to his colleagues, the hon. member is of the opinion that the system is perfectly fair, that no changes are required, fine, no changes will be made in the next budget, but we think that the system is not entirely fair and that changes will be required. We certainly intend to assume our responsibilities.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I was happy to hear the Prime Minister admit that there are tax inequities. This, incidentally, is one of the proposals he will find in the report submitted to him by the Official Opposition, which suggests 10 ways to reduce his deficit problem. I would ask him to read these recommendations, which were tabled in both official languages about two weeks ago. It may be time for him to read them.

In order to meet their commitment to reduce the deficit to 3 per cent of GDP by 1996–97, the Liberal members on the finance committee are proposing higher taxes for all taxpayers through a supposedly temporary surtax. The Official Opposition, however, believes that the deficit can be substiantially reduced without raising personal income tax, by making vigorous efforts to collect unpaid taxes and cut spending, including inappropriate tax expenditures.

Instead of raising taxes for all taxpayers, will the Minister of Finance finally decide to fairly and seriously consider all the proposals made by the Official Opposition to help him cut the deficit in an intelligent way?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, first of all, yes, I did read the Bloc Quebecois's report. I can assure the hon. member that we intend to consider these recommendations carefully. It should, however, be pointed out to the hon. member that these recommendations would help us with only a tiny portion of the $42 billion deficit. I would ask the hon. member if he could make suggestions that will really help us solve the deficit problem and the structural problems facing us.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I would calmly remind the Minister of Finance that, based on our calculations, which he has not contradicted, our 10–point proposal would amount to about $15 billion in cuts and savings of all kinds and in new taxes that would make rich Canadians pay their fair share, if they do not already. I would invite him to reassess our proposals.

I put my supplementary question to the Deputy Prime Minister. Does she intend to reprimand her finance minister, as the Prime Minister did yesterday on the issue of high interest rates, so that the finance minister will reject the idea of a surtax that would hit all taxpayers, which would be totally inconsistent with the Prime Minister's own election commitment?

• (1425)

[*English*]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the Bloc Quebecois just said that it has given us suggestions in terms of deficit reduction of some $15 billion. I hate to contradict their mathematics, but the number is nowhere near that. In fact it is not even one third of that.

That being said, what really must be done in this House by the opposition, and indeed the Reform Party have done it in part and have said they are going to do it before the budget, is to give us a comprehensive plan. It is quite easy to make great speeches. It is quite easy to set out targets with no background. But what is very, very difficult is to do the line by line study that allows us to deal with the profound structural problems of our economy and the way that governments spend.

In the month and a half that the opposition is going to have off, I would invite them to sit down and really work up a proper plan so that when we come down with the budget we can have an intelligent debate.

* * *

SECURITY INTELLIGENCE REVIEW COMMITTEE

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the SIRC report on the Bristow affair brought forward this morning is a whitewash. It does not adequately address the Reform Party's primary concern, namely that a paid agent of the former Progressive Conservative government allegedly tried to build links between Reform and extremist groups for the purposes of discrediting Reform in an election.

The Mulroney–Campbell administration may or may not have known what Grant Bristow was doing but they were certainly aware of his activities and they were in a position to use that information for political advantage.

Will the Solicitor General tell this House why SIRC did not more thoroughly investigate this particular concern and what he intends to do about it?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the Security Intelligence Review Committee was created by an act of Parliament, adopted by this House and the other place, to operate at arm's length from CSIS, at arm's length from the minister, at arm's length from the government. In short, it operates very much like a permanent commission of inquiry. It presented its report. I tabled that report in the House today.

I understand the hon. leader's question. However, I think that question would best be put to SIRC itself. I understand its members are appearing before a subcommittee of the justice committee tomorrow. That would be a very good vehicle for asking such questions.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, sections of the SIRC report read like a who's who of the Tory party. Their names are sprinkled throughout the report: Lewis, Jelinek, Dobbie, Segal, Sparrow, Campbell. Many of these people were reported to have had meetings with key players in the Bristow affair and were involved in smear campaigns against the Reform Party. Yet, in interview after interview with these former Tory politicians, SIRC avoided asking the key hard questions.

Will the Solicitor General agree that a committee like SIRC composed of political partisans investigating alleged improprieties by politicians makes a mockery of natural justice and discredits the internal security system in this country?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the members of the Security Intelligence Review Committee are appointed by order in council in exactly the same way as a short term commission of inquiry. They have the fullest powers to investigate, to seek documents, to question people under oath and they are in a position to complete a full and comprehensive report into matters they look into. That is what they have done. That report is before us for questioning and also is before us to use as a resource to make sure that CSIS is operating in a way required by law.

I suggest to the hon. leader of the Reform Party that he take another look at the report. Its basic purpose was to investigate allegations about the conduct of CSIS not about the conduct of political figures. It has done this job. I suggest that he and his colleagues follow up their concerns by addressing their questions directly to the members of SIRC when they appear before the parliamentary subcommittee or for that matter, seeking out meetings with them directly.

• (1430)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, today's SIRC report on the Bristow affair highlights the inadequacies of checks and balances on CSIS. It is also clear that the mechanisms for monitoring the activities of CSIS are ineffectual. They are open to political manipulation by virtue of the patronage appointments to the Security Intelligence Review Committee.

Will the minister agree that the highly political and completely ineffectual Security Intelligence Review Committee should be done away with? Will he agree that the parliamentary subcommittee on national security should be made the watchdog of CSIS and should be given the teeth to do the job?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I reject the premise and innuendo of the hon. member's question.

The SIRC was created by an act of this Parliament to operate at arm's length from the government, from Parliament itself and from CSIS. I really question why he thinks a subcommittee of this House made up of people linked directly to political parties is less partisan than the arm's length Security Intelligence Review Committee. There is a contradiction in what he says.

* * *

[*Translation*]

TAX CREDITS

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of Revenue.

While the major Canadian banks are declaring record profits of over $4 billion this year, we learn that these same banks will benefit from some $300 million in tax credits for research and development, in particular for expenses to develop software used in current operations, such as automated teller machines. The Auditor General has denounced such tax credits as ineffective.

Can the revenue minister confirm that nearly $300 million in tax deductions will swell the banks' profits, which already amount to $4 billion, and that these credits are for so–called R&D expenses which are really nothing but current expenditures?

[*English*]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the hon. member can rest assured that there will be no payment on pseudo claims for tax credits.

We have a very strict procedure for dealing with the tax credits for scientific research and experimental development. The three criteria are: first, there must be advanced knowledge; second, there must be a real risk of failure involved; and third, the research must be undertaken by experts.

We are now assessing the applications. I might add that anybody can put in a request for such an application. It simply does not mean that Revenue Canada will accept it. We are looking at it closely with over 300 auditors and also a large number of scientific experts to make sure that in fact no money is paid under this scheme other than that which is due to be paid.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my supplementary question is for the Minister of Finance.

First of all, I would like to remind him that he started by saying that the Bloc Quebecois had no suggestions. Five minutes later, he was up to $5 billion. So that he can do his figure work better, I would like to remind him that we are talking about $1.6 billion for defence, $3 billion in corporate subsidies, and $6 billion in unpaid accounts. The Minister of Finance should get his figures straight and by the end of Question Period, we may find that the deficit is much smaller.

Yesterday, the Minister of Finance asked us where to cut. Here is another suggestion. Does he intend to end the waste of public funds denounced by the Auditor General and reduce his spending by $300 million, in addition to savings suggested by the Bloc Quebecois?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I fully endorse what the Minister of National Revenue just said. The purpose of these tax credits for research and development is certainly to create new technology. It is not for companies to do things that they should do anyway as good management.

I think that the Minister of National Revenue answered the question very well and I can tell you that he has just stated the finance minister's position too.

* * *

[*English*]

SECURITY INTELLIGENCE REVIEW COMMITTEE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the SIRC report on the Heritage Front affair is full of contradiction. It states that CSIS did not investigate the Reform Party or its membership. Yet in the same report it has acknowledged that a CSIS Ottawa region investigator searched the names of the contributing individuals and companies to the Reform Party leader's 1988 campaign against the CSIS databases.

I ask the minister if this does not constitute an investigation of the party and its membership, what does?

• (1435)

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the report of the Security Intelligence Review Committee which is the report of the committee and not of the government said in part that the service had an obligation to investigate whether the government of the foreign country was involved in attempting to influence the outcome of a Canadian election. It also went on to say that CSIS did not investigate the Reform Party or its membership.

If my hon. friend does not agree with this, I suggest she question SIRC directly when it appears before the subcommittee. I understand her concerns, but the vehicle to which she should address her questions is the SIRC itself.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the Solicitor General cannot remove himself from the responsibility of representing Canadians on this issue.

I will be talking to SIRC tomorrow. This investigation on allegations was from an individual considered by the CSIS investigator as an unknown quality who was self–serving and very opportunistic. It would appear that investigations of this nature can be held with very weak probable cause.

What assurance can the minister give to Canadians that contributors to political parties today are not being investigated by CSIS?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I repeat that this report is a report of an independent commission of inquiry. My role is to bring the report to the attention of the public through this House in the fullest possible manner, which I have done.

With respect to the second part of the member's question, the law adopted by this Parliament makes clear that CSIS is not to investigate lawful acts of protest, dissent or promotion of a cause. I think that is pretty well clear. I hope it will give the reassurance the hon. member is seeking.

* * *

[*Translation*]

BLOOD SUPPLY SYSTEM

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health. On December 5, the minister said that she would rather wait for the public hearings on this issue to be completed before commenting on the blatant lack of rigour endangering the safety of Canada's blood supply system. These hearings were held on December 6 and 7.

Now that the hearings have taken place, will the minister tell us why the Bureau of Biologics does not comply with its own standards, given its responsibility to check the quality of blood products and facilities at all 17 transfusion centres of the Canadian Red Cross Society?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I thought the hon. member was going to wish me a Merry Christmas and a Happy New Year, and also congratulate me for the good work I did this year.

Clearly, we worked well and we will continue to do so.

As regards the hon. member's question, I can say that we more than doubled the staff of the bureau. We implemented a number of measures. We are also spending $11 million on the Krever Commission because we feel this is a very serious issue. Not only do we want our blood supply system to be as good as any, we want it to be the best in the world.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, words fail me. How can the minister not take this recommendation seriously?

Our blood supply system is blatantly flawed and Canadians are at risk of being contaminated before the end of 1995. This is very serious. Some people are actually dying because of this.

Will the Minister of Health at least have the decency to immediately contact the head of the Bureau of Biologics, who is accountable to her, and clearly tell him that he has the duty to comply with his own safety rules?

• (1440)

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I take the question very seriously indeed.

Since I became the Minister of Health we have done more in terms of blood safety and inspection of centres and increasing personnel than was done in the previous 10 years.

We did not and I am not waiting for the report of Mr. Krever to take action. We have done everything that we can and we will continue to do everything we can. Meanwhile we are anxiously awaiting to see what other new measures Mr. Krever will ask us to undertake. We will do whatever it takes to guarantee that the blood system in this country is the very best in the world.

* * *

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, five weeks ago the health minister threatened private clinics throughout Canada. She promised swift action and then she vanished, perhaps permanently.

The minister now knows that all provinces struggle to fund health care because this government withdraws from medicare funding.

Will the minister give every province a Christmas present by admitting her political blunder?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I seem to recall during the last election campaign a Reform Party committed to the medicare system in this country. As a matter of fact the leader said he was opposed to user fees and did not want to decrease access to the health care system. I have a quote here which says: "I want to make it absolutely clear that the Reform Party is not promoting private health care deductibles or user fees".

If there is a blunder that has been made during this year it is by the Reform Party. We have kept our word. I am keeping my word. We are going to have medicare in this country not based on how much you can afford to pay, but based on your need for care.

Some hon. members: Hear, hear.

Some hon. members: More, more.

The Speaker: The hon. member for Macleod.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, that applause was a nice farewell.

Informetrica did a study which states that by the end of the EPF freeze in 1995 the federal government will have offloaded $29.4 billion unilaterally on to the provinces, $10.4 billion on to Ontario alone. Some Canadians think this is a big problem.

What will the minister do? I ask her to stand up and answer if she has an answer but if not to stay seated preferably in the backbenches.

Hon. Diane Marleau (Minister of Health, Lib.): The hon. member can quote whatever studies he wants but Mr. Speaker, perhaps you can give this message to the hon. member. There has not been one study that says we need to spend more money in our health care system. Everyone knows we need to spend it differently and more effectively. That is the exercise every province has undertaken. It is not easy but it is necessary.

At the same time we should not ever forget average Canadians who need health care. We never want to go back to the days when people could lose their homes at the same time as they lost their lives.

• (1445)

If the hon. critic would go four seats over and speak to his leader he might be able to get the policies of the Reform Party right in terms of what it said during the election.

* * *

[*Translation*]

INTERNATIONAL TRADE

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, my question is for the Minister of Agriculture.

As of January 1, 1995, the United States will impose new restrictions on Canadian sugar exports. Because of this unilateral decision to change the classification of products with a high sugar content, Quebec and Canada stand to lose almost 2,400 jobs. Since the change was made before GATT was signed, the federal government now claims that it cannot intervene in this issue.

Can the minister explain to us why the Canadian government let the United States unilaterally change the classification of products with a high sugar content, when it knew full well that this would have disastrous consequences for the sugar industry in Quebec and Canada?

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the United States is proposing to take certain actions effective January 1 with respect to the importation of products containing sugar into the United States.

As the hon. member knows, Canada takes strong exception to the position being taken by the United States. We have made those representations abundantly clear at the officials level in dealing with the U.S. department of agriculture, the U.S. trade representatives office and the White House.

Representations by Canada to the United States continue to be made. In the past 24 hours the Minister for International Trade has been in touch with his U.S. counterpart to make the Canadian position abundantly clear. We will continue to pursue that position in the best interest of all Canadians, including those in the province of Quebec.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, since the minister has confirmed that Canada is no match for the United States in bilateral trade negotiations, will he undertake to refer the issue to a GATT panel?

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the Canadian government will pursue all its options in defending the Canadian position in the face of U.S. action with which we may disagree.

However I want to make it fundamentally clear that in the process we will not engage in any game of trading off one region of the country against another or one commodity against another or one group of producers against another.

All these are separate and distinct issues. They must be dealt with separately and distinctly on their own merits and we will not trade off the Canadian—

Some hon. members: Hear, hear.

* * *

[*Translation*]

INFRASTRUCTURE PROGRAM

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, my question is for the minister responsible for the infrastructure program.

The recession hit Canadians hard, including the residents of my riding of Saint–Denis, and reduced their employment opportunities. Over the past year, the situation seems to have improved and people are starting to go find jobs again.

[*English*]

Could the minister responsible for the infrastructure program give us an update on the status of the program?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, as we reach the first anniversary of the launching of the program when the Prime Minister and the premiers came together on December 21 in Ottawa, I am pleased to be able to bring more good news to members of the House.

At the halfway mark of the program over 80 per cent of the $6 billion has been allocated to some 8,400 projects, creating over 81,000 jobs for Canadians. We are well on our way to the creation of some 100,000 direct jobs in the program.

I am pleased to tell the member for Saint–Denis that in the province of Quebec we have created over 20,000 jobs and have contributed significantly to the economy of the city of Montreal.

One more statistic, because I know the Reform Party's interest in the matter: I have received from Reform Party members some 15 letters and 10 of them have been in support of the program.

* * *

• (1450)

PETRO–CANADA

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, last week in the House both the Minister of the Environment and Minister of Natural Resources said they would look into the circumstances of the tragedy suffered by the Curtis family of New Brunswick at the hands of Petro–Canada and report back to the House.

Since then the Curtises have received conclusive proof from the renowned environmental health centre in Dallas that indeed exposure to gas fumes was the cause of permanent mental and physical damage to their seven–year old daughter.

My question is for the environment minister. As Petro–Canada is not only responsible for the leak but actually knew about the leak two years before it took any action, what does the government plan to do about holding this corporate criminal responsible?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I will follow up on the undertaking I gave both publicly and privately to the member last week.

Not only did I receive his question in the House. I subsequently went over to discuss it with him personally. He assured me that he would provide medical information that we would use in an attempt to personally intervene with Petro–Canada. I have discussed the issue with my colleague, the Minister for Natural Resources, and we have been awaiting the medical evidence the member says is now in his possession.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, my supplementary question is for the Minister of Natural Resources. I have the documentation. We received it today. It will go to both ministers.

I have other documentation showing that the Minister of Natural Resources and the Minister of the Environment were both notified about the case by the Liberal member for Fredericton—York—Sunbury last January, nearly a year ago.

Since the minister knew about the tragedy a year ago, why did she not do anything about it then? Why has the minister allowed Petro–Canada, a government controlled company, to snatch this little girl's future away?

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me say in relation to the statement just made by the hon. member that indeed a colleague of mine informed me of this set of circumstances. I intervened at that time. I believe, in part because of that intervention, a settlement was reached in relation to part of the claim raised by the Curtises. Therefore I take exception to the fact that the member suggests I did not act upon the request of my colleague.

The other matters raised by the hon. member in relation to the health of the female child in question I understand are presently before the courts, are being pursued in the courts, and therefore it would be inappropriate for me to say anything further at this time.

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[*Translation*]

POST–SECONDARY EDUCATION

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. Everybody knows that the reform proposed by the minister for post–secondary education has met with strong opposition from the provinces and student associations.

Does the minister still intend to go ahead with his reform of post–secondary education funding, as proposed in his green book, when the provinces and student associations are very much opposed to this proposal?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if there is any broad unanimity in the country from one end to the other, I suppose it is the need for a substantial, major overhaul and reform of all social programs including those in post–secondary education. In the province of Quebec alone 95 per cent believe it is time for major reform in social programs.

As the hon. member knows, a Commons committee has been holding hearings. We have had widespread consultation through a questionnaire. We have now received 20,000 copies from Canadians. They will be analysed. There is an ongoing series of discussions and a wide variety of options.

The hon. member, as a member of Parliament, would not want me to preclude the judgment of his colleagues who have spent a great deal of time listening to Canadians, or preclude the judgment of many Canadians who have bothered to take the time to write in to give their contributions, by simply making an arbitrary judgment, as it seems the Bloc has done, before listening to the Canadian people.

• (1455)

[*Translation*]

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, it seems to me that people have already been waiting for quite a while. Everybody is aware of the minister's proposal and even Ontario has expressed some opposition.

How can the minister claim to represent a flexible federalism when he threatens to retaliate against the government of Ontario if it continues to make public its resistance to the proposed reform?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the one thing that will never lead to co–operative or flexible federalism is the kind of fearmongering the hon. member has just engaged in. I have never made suggestions or threats of the kind the hon. member suggested. He should withdraw that remark. It is not based on any fact or any presupposition.

I would simply say to him that at this time the broad majority of Canadians want some change. They want governments to work together on change. They want us to find the best ways to spend our money.

I keep saying the only group that seems to be objecting continually without analysing or considering the options is the Bloc Quebecois. It is simply standing in the way of Canadians getting what they want, which is a much better, more effective social system that will help people get back to work.

* * *

AGRICULTURE

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, my question is for the Minister of Agriculture and Agri–Food.

In 1983 the government implemented the Western Grain Transportation Act that gave railways guaranteed returns on investments and operating expenses. Not only was it a licence to print money. It also allowed railways to become inefficient and non–performing since they were paid regardless of how they moved prairie grain.

Is the minister now proposing to offload past Liberal mistakes on to farmers in the form of a cash buyout?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I think the hon. member knows the Minister of Transport and I are working on a set of proposals for comprehensive reform of the Canadian grain handling and transportation system. That obviously includes a very detailed examination of existing legislation in the form of the Western Grain Transportation Act.

In terms of a consultative process, a very extensive process is now under way by both the Minister of Transport and myself consulting with farm organizations, farmers and all other stakeholders in the grain transportation system. Our objective is to collect all their recommendations and advice toward the end of this year or the very early part of 1995 so that early in the new year we can put before our cabinet colleagues a set of proposals to deal with some longstanding issues in our grain handling and transportation system.

Our objective, in the final analysis, is to ensure we position the country to compete with the rest of the world and win in our grain sector.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, the minister knows very well that three prairie premiers insist that the Western Grain Transportation Act represents an inherent right promised to prairie provinces. They also insist that none of these moneys go into the east and that they stay in the west.

Is the minister prepared to put these funds into a safety net program that will offset the effects of U.S. and European subsidized products in the form of a trade distortion adjustment program?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, a variety of proposals are under consideration. Some of those proposals come from the producer payment panel, which was a consultative process that ultimately reported publicly in June of this year. There have been other proposals in terms of the structure of the method of payment that have come from the provinces of Alberta and Saskatchewan.

Various farm organizations have come forward with other alternatives. There is clearly a difference in view among farmers and farm organizations in western Canada on whether the funds either partially or totally should be dedicated to some kind of a safety net system. That is one of the alternatives on the table.

However I must tell the hon. gentleman that thus far in the consultations we have had with farmers and farm organizations the recommendations and advice we are receiving are very much against the notion of folding the funds into any kind of safety net.

• (1500)

SOFTWOOD LUMBER INDUSTRY

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, this question is for the Minister for International Trade.

For several months Canadian lumber companies have been waiting for the United States to begin repaying the bulk of softwood lumber duties collected on Canadian exports. Can the minister tell this House when Canadian companies will begin receiving repayment of these funds?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, those in the United States lumber industry who had challenged the NAFTA procedures have now agreed unanimously to withdraw their lawsuit.

Accordingly, with the removal of this final obstacle, I understand that the United States Department of Commerce will in the next days begin to return the deposits of Canadian lumber companies, totalling some $800 million plus interest.

I should add that the Canadian and United States governments will join in a consultative process to facilitate trade in lumber on both sides of our border.

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TRIBUTES

The Speaker: My colleagues, it is quite probable that this will be our last question period this year. Today, I want to do something that I know you will agree with. The House is saying goodbye to three of its House officers who have been with us for a great many years.

In offering tribute, I would like André Fréchette, the head page who has been with us for 42 years, to please come and stand with me on my right.

Some hon. members: Hear, hear.

The Speaker: I would also like to invite our two deputy sergeants–at–arms. They have always been at that end of the House but for today, gentlemen, I wonder if you would join me here in front of the Speaker's chair.

Some hon. members: Hear, hear.

The Speaker: I would first call on the member for Kingston and the Islands.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, today is the last working day on the floor of the House for our chief page, André Fréchette. He has had an amazing term of service in this House. What is more amazing is that the 41 years he has worked here represents more than 80 per cent of his life and I do not mean working life.

Of the 10 Prime Ministers who have been in office since the beginning of his employment in this House, nine have benefited from time to time from his assistance. I am certain there is no other living Canadian who can claim to have personally assisted nine Prime Ministers not to mention 14 leaders of the opposition, scores of cabinet ministers and probably more than 1,000 members of Parliament.

During his years of service he has learned more about the House and its workings than most members. He always seems to be the first to know what is going to happen in the House, often being able to provide helpful advice to members and to other staff.

Mr. Fréchette started his career with the House as a page when he was barely into his teens and it is only just that he should retire now while he is still a youngish man.

• (1505)

We will miss him very much in this House, Mr. Speaker, but of course we will be reminded of his presence on a daily basis because of the very able staff that he has trained to function in his absence.

[*Translation*]

Mr. Fréchette, we wish you a long and happy retirement.

Some hon. members: Hear, hear.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, three employees of the House of Commons are about to retire, namely Léo Robitaille, who has been with us since 1953, Sam Renaud, since 1954, and André Fréchette, since 1951.

Serving the members of this House takes dedication, patience and understanding, and we would be unable to do our job without their support.

I would like to comment particularly on Mr. Fréchette's career which kept him in the House for 43 years. He started working here when he was 11, under Louis Saint–Laurent. He has known 12 speakers and several generations of members. I think this is a record, and should be in the Guinness Book of Records.

Some hon. members: Hear, hear.

Mr. Duceppe: I wish to thank Mr. Robitaille, Mr. Renaud and Mr. Fréchette on behalf of all members of the Bloc Quebecois.

We wish you a long and happy retirement!

Some hon. members: Hear, hear.

[*English*]

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, today it is both an honour and indeed a pleasure to pay tribute on behalf of the Reform Party of Canada to my friend, chief page André Fréchette, on the occasion of his retirement.

Mr. Fréchette was born in Hull and first came to work in this place in 1951. He became chief page in 1980. What are his plans for retirement? We know he enjoys bowling every week, and we wish him all success to bowl perfect games. In the summer he knows the many wonderful locations where he can pick every kind of wild berry around the area.

After 42 years as a page he has well earned a rest, but we have been informed that a friend has also invited him to form a partnership in a small business. Mr. Fréchette has a big decision to make ahead. But I know he will bring his special enthusiasm to whatever choice he makes.

What advice would he give to young people today? I would like to quote: "Do anything you can to become a page. It is the best experience in the world and it is wonderful for young people to feel they are contributing to their country".

I am sure his wife, daughter and grandson take special pride in the years that he has given to Canada. I want to express the appreciation and congratulations of Parliament and our personal thanks to chief page André Fréchette. We will all miss you.

Also, we would like to extend our best wishes on the retirement of Mr. Leo Robitaille who has served Parliament here since 1953, and Mr. Sam Renaud since 1954. We wish you the best of everything in your retirement and the best of the season.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, this is a rather special day for me. As you know, I am the only staff member of the House of Commons ever to have been elected to this place since Confederation. That I consider special. What is even more special today is to say to you and to hon. members that I have had the opportunity of working with all three people we are honouring this afternoon.

[*Translation*]

At one time I worked in the parliamentary restaurant like Mr. Léo Robitaille, who is being honoured today. As a member of this House, I have always known and worked with Mr. André Fréchette. I also came to know Mr. Renaud.

• (1510)

If I could pretend for an instant that I am still an employee of the House of Commons, as I was a long time ago, I would like to tell these three men that the members of the House wish them the very best. I am sure that, in my imaginary capacity as an employee of this House, I also speak for all the employees of this House.

Some hon. members: Hear, hear.

[*English*]

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, on behalf of the New Democratic Party, I too would like to wish Mr. Robitaille, Mr. Fréchette and Mr. Renaud a very happy retirement and also thank them very much for their service to this House and to generations of parliamentarians and to young people throughout the years.

[*Translation*]

I want to wish them a happy retirement.

By the way, Mr. Speaker, there are many other employees in the House of Commons who are going to retire.

[*English*]

I would like to also thank all of those other employees of Parliament who are taking retirement on January 1 and to thank them as well for their service to this Parliament.

The Speaker: Léo, André and Sam, at long last the Speaker gets to speak. My colleagues, today is a very special day. It is very special for all of us because in a very real sense we who serve in this House and the people who help us to discharge our duties as parliamentarians know full well of the pressures and demands that are placed on all of us. I include here the officers of this House.

Today as we say goodbye to Léo and Sam, I must say that I had hoped in my tenure to never be able to avail myself of your services, but already once I have had to call upon you when one of our members would not withdraw. I have forgiven him long since.

My colleagues, today also we say goodbye to André Fréchette. I ask the pages who are here today to come and stand around the Chair. There have been many pages that André has worked with and whom he has helped over the years.

[*Translation*]

I am happy to see you are all here, our pages, my pages, the pages of all Canadians.

[*English*]

It is indeed fitting that at this time of the year, as we prepare to go home, as we prepare ourselves indeed to be with our families and friends that we, the family that is Parliament, and most especially these three men who are leaving us today, would say to them, and I do today claim my right to speak on behalf of all parliamentarians when I say to you: Thank you for a job well done. We appreciate you very much.

Some hon. members: Hear, hear.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ) Mr. Speaker, I was under the impression that I could dispense with the Thursday

question today, but it seems that my hon. colleague has a number of items to announce, so I would ask him to proceed.

• (1515)

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I have a few offerings for my hon. colleagues, just before the holidays.

[*English*]

First of all, in my capacity as Leader of the Government in the House of Commons, I want to join in the congratulations and best wishes to Mr. Fréchette, Mr. Robitaille and Mr. Renaud.

This afternoon we will continue consideration of third reading stage of Bill C–53. I believe there is an understanding that we will vote on this today. However, there will be an interruption at around 4.30 or 5 p.m. when the Gentleman Usher of the Black Rod will summon the House to the other place for a royal assent ceremony. I understand that will be the last formal activity in Parliament by His Excellency the current Governor General before he leaves office early in the new year.

Also, I understand there is some considerable desire on both sides of the House to adjourn for the winter adjournment provided for in Standing Order 28 after completing Bill C–53 and the royal assent.

I will announce the business for the day when we return during the week before that date, hopefully not in this House but directly to my hon. colleagues. I want to say that tentatively I am looking at Bill C–44 and Bill C–62 as the selections likely to be called.

Finally, I would like to extend to the other House leaders and all members of this House my non–partisan best wishes for the holidays and the new year.

The Speaker: My colleagues, if indeed we do break today, I invite all of you to join me for a reception in my quarters before you leave today.

* * *

PRIVILEGE

ORDER PAPER QUESTIONS

Mr. John Cummins (Delta, Ref.): Mr. Speaker, as I informed you and the Minister of Fisheries and Oceans earlier today, I rise on a question of privilege in relation to a discrepancy in the supplemental answer given today to Order Paper Question No. 82. The answer is again inaccurate and misleading. It misrepresents the facts and is contradicted by DFO enforcement documents which I have received under access to information.

I was prepared to meet with the deputy House leader and the minister as per your instructions to discuss a satisfactory answer to Question No. 82. I sought such a meeting. A meeting never occurred and instead, the minister tabled a supplemental answer this morning.

The question asked the effect the late signing of the aboriginal fisheries agreement had on enforcement of fisheries agreements and fisheries regulations in 1994. The minister's answer does not respond to the effect on enforcement.

The Speaker: Is this new information the member is giving the House, or is it a repetition of the information he put before the House previously? Can the hon. member clarify that?

Mr. Cummins: Mr. Speaker, the information is new. What I am doing is responding to the supplemental answer to Question No. 82 which was tabled this morning.

The minister's supplemental answer to Question No. 82 which I refer to does not respond to the effect on enforcement. The departmental documents received under access to information deal specifically with the effect on enforcement.

The minister's supplemental answer deals with the management of the aboriginal fishing strategy, not the effect on enforcement of fisheries regulations, that is, the Fisheries Act. Now is not the time to debate the aboriginal fishing strategy.

The answer implies that aboriginal guardians were on duty as usual and that licences were given out as required under the regulations. That is simply not true. Virtual chaos reigned on the west coast. Fisheries documents prove it.

The issue before this House is whether the minister's answer misleads this House and prevents me as a member from carrying out my duties.

Let me read a few short sections from the August fisheries enforcement document on early Stuart migration which clearly demonstrates that the minister's supplemental answer is inaccurate. In Steveston it was reported that "the ability to properly manage the Fraser River aboriginal fishery has been seriously compromised". It also states: "The late signing of the aboriginal agreements has also resulted in difficulties in respect to proper management of the fishery, and in many cases bands have not been able to abide by the terms of the agreement".

• (1520)

In Fraser Valley East and Fraser Valley West the report states that the lateness in the signing of the 1994 aboriginal fishery agreement has resulted in the breakdown of effective management in the native fishery on the Fraser River. DFO officers were unable to perform their duties effectively because updated licensing data was not available, therefore proper gear and licence checks could not be done. Mandatory landing sites were not operational until late July. Arrangements were not made by

the harvest committee as per agreement to recover landing slips—

The Speaker: The Chair is in a quandary. It would seem to me that what we have here is information which is deemed to be accurate by one side and deemed to be inaccurate by the other side. What we are into now I believe is a point of debate. I wonder if the hon. member could move to identify the specific point of privilege he is referring to.

Mr. Cummins: Mr. Speaker, in point of fact I asked the question: What effect did the late signing of the aboriginal fishing agreements in British Columbia have on the Department of Fisheries and Oceans' enforcement of the agreement and fisheries regulations in 1994?

The answer that was originally provided said that the impact was minimal. The documents which I received under access to information proved otherwise. The supplemental answer which I received this morning did not address the issue. Instead it addressed the issue of the management of the aboriginal fishing strategy. It did not address the question asked.

The breach of privilege as I suggested the other day for your consideration, Mr. Speaker, was the 1978 decision where the member for Northumberland—Durham raised a question of privilege in the House. The Solicitor General had written and provided information which later proved to be erroneous and inaccurate. The Speaker ruled as indicated in *Hansard* on page 1857: "I find therefore a prima facie case of contempt against the House of Commons".

I maintain that the same thing has happened again. If it was contempt against the House of Commons to provide a member with erroneous information, then surely to provide the House itself with erroneous information through a written reply to a question on the Order Paper would also be a prima facie case of privilege.

Should you rule—

The Speaker: Order. Colleagues, I think at least at this point from what I have heard we are in the process of debate.

The Minister of Fisheries and Oceans is here now as is the member for Kingston and the Islands. I am going to permit an intervention. After the interventions are over, I will hear what you have to say first and then I will decide where I am going to go from there. The hon. Minister of Fisheries and Oceans.

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, this is not a question of privilege. It is not even a matter of being a good point of order. What we have here is the beginning of a debate.

The debate being proposed by the member opposite is a debate about the impact or the capacity of enforcement officers both departmental and aboriginal officers to conduct their responsibilities.

• (1525)

This is very technical that there is a late signing of an aboriginal fisheries agreement. The agreement in question this year has been the subject of a lot of discussion, questions in the House, a great deal of media. It is now the subject of a review by a former Speaker and a public panel. There has been some acknowledgement of some problems. The agreement in question primarily is on the lower Fraser. The group in question is the Sto:Lo. But this is one of 47 agreements. There are 47 agreements.

If the member chooses to focus on some areas of difficulty and draw from them the conclusion that the entire program, the planet as we know it, the fishery as it has been conducted, the Department of Fisheries and Oceans, and every last fish are all subject to a totally uncontrolled situation, that is his right as a member of this House. But to extrapolate from it that the answer given is misleading when there are 47 agreements and not just one is improper. It is wrong and is an abuse of the whole principle of a question of privilege.

What we have here is a debate. Mr. Speaker, if you would like to provide for a debate, you well know in the years we have shared together in this place that I am always tempted to engage in such.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I just want to draw your attention to words used by the hon. member in expressing his question of privilege.

I will quote only two examples. For example, he said that the minister's answer implied something. Different people may draw different implications from words that are used, whether in the question or in the answer. I think it is entirely proper for a minister to provide an answer to a written inquiry which may be an answer that is not agreed to by the member receiving the answer.

Sometimes that may provoke the member to ask more specific questions. If the hon. member had asked what was the result of the non–signing of an agreement in area *x* he might have received a different answer to the question he asked on the Order Paper for which a much more general answer was provided.

I note that the minister, in answer to the hon. member's point the other day, tabled a supplementary response. This is unusual but it is perfectly proper for the minister to do that. He did it in order to satisfy the anxieties the hon. member raised the other day when he suggested that somehow the answer was misleading.

I want to suggest when the government prepares answers to questions in this House it prepares them as of the date the question is asked. Occasionally when the answer comes to me a month, two months or four months later—and sometimes they are late, we have had that experience recently—the answer is wrong because events have changed in a notorious way so that even I know they are wrong. Then I say I think we should update

the answer and give an answer that is correct as of the date we are tabling the reply.

I suspect that part of the problem the hon. member encountered in this case is that the information available to the department on the date the question was put was different from the information when the answer was tabled some two months later. Additional or supplementary information was provided by the minister this morning. I tabled that on the minister's behalf.

In light of all that I do not understand how the hon. member can argue that his ability to perform his functions as a member of Parliament have been impaired by this answer. That is the nub of the issue on a question of privilege. If his ability to perform his functions are impaired, I suggest to him the thing for him to do is put more questions on the Order Paper and ask more detailed questions so he gets more detailed answers.

I am sure if he does that he will get the answers he wants. But reading from selective reports and then suggesting that because those reports are different from the answer when, as the minister has pointed out there are many reports, is not correct. It is not fair.

It is not impairing the hon. member's ability to carry on his functions. He is obviously able to carry them on because he has all the reports in his possession and is able to read and quote from them in this House. If that is the case how are his abilities impaired, and if they are not, there is no question of privilege.

The Speaker: Colleagues, I think that for my purposes at least at this point what I would like to do is review the answer which was tabled today. I would like to review the information the member put before us on another day and has brought back with more information today. I will have a look at the information. At this point at least, subject of course to my looking at it and reflecting on it, I am not convinced that there is a question of privilege.

• (1530)

However, if the House will give me the time to review the documents that have been placed before me, I will come back to the House if necessary.

I move now to the second question of privilege of the hon. member for Scarborough—Rouge River.

PRESS GALLERY

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, earlier today I was denied access to press gallery room 130–S on two occasions. I understand a similar occurrence took place a few days ago with respect to another member; I was informed of it by the member. Although I am prepared to move a motion, I state for the record that the essence of the privilege matter is the denial of access of a member or members to rooms on the parliamentary precincts.

In view of the season, our agenda this afternoon, and the fact that I would like to think it was a simple misunderstanding with the press gallery, perhaps I could suggest that Your Honour take the matter up with the press gallery to ensure that there are no misunderstandings about the rights of all members to have access to all open rooms in the parliamentary precincts, barring of course the other place beyond the bar, washrooms of the opposite gender and common sense things. If you would do that, Your Honour, I think it might clear up the matter.

The Speaker: It is a point of information; I am not sure it is a question of privilege. I will undertake to get more information on what precisely has been happening in the last few days especially with respect to room 130–S. I will give the information to the hon. member or indeed share it with the House if I feel it is necessary.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF CANADIAN HERITAGE ACT

The House resumed consideration of the motion that Bill C–53, an act to establish the Department of Canadian Heritage, be read the third time and passed.

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, once again it gives me great pleasure to discuss Bill C–53, an act to establish the Department of Canadian Heritage.

It would be useful to state unequivocally that the Reform Party does not support the bill. The reasons for this are numerous. Since I have spoken on the bill during first and second readings and have participated in committee and report stages, I feel most of what I have to offer has already been stated. Therefore I will not deliberate at great length on the issue.

However I would like to summarize the key aspects of the bill. First let us look at multiculturalism. As I mentioned yesterday in the House, as a member of the Standing Committee on Heritage I had the opportunity to listen to witnesses describe multicultural federal funded programs as divisive and that they focus on our differences rather than on our similarities. This is ultimately the opposite outcome to that which the government had intended for the program.

I truly believe the intention was noble enough when the multiculturalism legislation was passed by the Trudeau government. However it was an experimental program that has failed its goals. The program does little to unify and seemingly everything to separate. The government must stop the waste.

Multiculturalism is creating an entire generation of hyphenated Canadians by focusing on differences, not on similarities. The majority of Canadians believe there is nothing wrong with multiculturalism. Yet they believe it should not be funded by the government but by multicultural organizations. This is the position of the Reform Party we have been defending since the late 1980s. According to Neil Bissoondath, author of *Selling Illusions—The Cult of Multiculturalism in Canada*:

> Anyone critical of the multicultural policy—is immediately branded a racist.

• (1535)

Moreover it is my perception that this type of attitude is present today and is carried by the media, as anyone who speaks critically of funding for multiculturalism programs are labelled meanspirited or ignorant and intolerant. This is not an answer to the problem we are encountering today in Canada. I can unequivocally say that the Reform Party is not racist nor is it intolerant. However it is fiscally responsible.

Multiculturalism programs cost Canadians over $30 million annually. This funding could be better spent on health or education. I am sure everyone knows that education and not cash is the true way to break down barriers between cultures and individuals. Therefore I think it would be wise for the government to rethink its multicultural policy.

Next, overlap and duplication is a theme in which this Parliament will hopefully be remembered for decreasing, although for this to happen the Liberals must re–evaluate Bill C–53 as it is riddled with inconsistencies and duplications between departments, such as overlap and duplication between the Department of Canadian Heritage and the departments of industry, environment and transportation. Yet the Liberals seem quite content to allow the overlap to continue, which will only lead to confusion of responsibility and mismanagement.

To illustrate the point I will use national parks. They were in environment but have since moved to heritage. I am still wondering why. Recently one witness, David Day, managing director of the Association for Mountain Parks Protection and Enjoyment, was before the standing committee discussing this issue. It is important to illustrate what he said because he made a great deal of sense.

He spoke of the difficulty governments face in administering and managing our national parks because of the diversity of expectations. I could not agree more.

What is it that we as a society would like to see from our national parks? Specifically talking about national parks, Mr. Day said:

> Many Canadians have questioned why the government moved Parks Canada from the Department of the Environment to a new and seemingly unfocused Department of Heritage. Over the previous 14 years Parks Canada has established a firm position within the Department of the Environment as a leader and innovator in matters affecting the environment.

With the increase in tourism in Canada national parks are more closely linked to industry and environment than they are to heritage. The question remains: Why are parks in heritage? Streamlining government activities not only makes financial sense but also creates accountability. Government should be held accountable for department mismanagement and project failures.

Bill C–53 simply reinforces the perception of the process of government that needs reform as well as Reformers more so now than at any time before. Perhaps one of the most important changes or reforms the House needs is true free votes, free from party discipline. The Reform Party suggests changes to parliamentary rules to allow for more free votes and to ensure that the defeat of a government does not automatically mean the government must resign.

Bill C–53 is a prime example of a bill that should be defeated because it is fundamentally flawed. However its passage is a foregone conclusion as we will see later this afternoon. What we are doing here is nothing more than an illusion. We have been constructively criticizing and proposing positive changes, yet our suggestions fall on deaf ears.

• (1540)

What the Liberals have to understand is that less government will ultimately mean more freedom and more prosperity, not just for a certain few or a certain region but all Canadians. We as parliamentarians have an obligation not only to our constituents but to Canadians as a whole. We must start to make decisions that will enable the country to lower our deficit and ultimately our debt. Since the beginning of my speech Canada's national debt has increased $1,443 per second which equates to approximately $1,776,000.

An hon. member: Then you had better sit down.

Mr. Hanrahan: Whether I am standing or not does not matter; they are still wasting the money.

It is for these reasons I am opposed to Bill C–53. It does nothing to reduce government spending or waste, government mismanagement or incompetence, government overlap or duplication. Bill C–53 does not set an example for other ministries. Nor does it have the direction needed to lead the country out of the financial crisis we are presently facing.

It is for these reasons that we as parliamentarians should reject Bill C–53. We should send a message to Canadians that we are truly serious about parliamentary reform, deficit reduction, government streamlining and government efficiency.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, when we talk about heritage, most people believe that we are dealing with ancient things, old things. However, this afternoon, I would like to show that heritage also means modern things, even highly advanced technology. I would like to do it from a cultural perspective, from the perspective of Canadian and Quebec culture.

At the present time, right above the Equator, there are two American satellites beaming down to South and North America. They were sent into orbit by the Hughes Corporation, a subsidiary of General Motors in the United States. These two satellites have been nicknamed "Death Stars". What does this mean?

These satellites can transmit TV signals nearly to every home from the North Pole to the South Pole. They can broadcast up to 200 channels simultaneously.

I must warn you that this is not science fiction; not only can these satellites do what I have just mentioned, they have been doing it for several weeks already. They now have customers mainly in the U.S., but also in Canada.

These American satellites belong to the Direct TV Corporation and can be used by a Canadian corporation called Power Direct TV, itself a subsidiary of Hughes and Power Corporation.

What does this have to do with culture? Think about it for a moment. These satellites broadcasts are, for the time being, totally foreign to what is happening on the cultural scene in Canada. Programs are produced in the US and the content is American, naturally.

In fact, just about anyone in Canada can obtain the necessary equipment to receive these channels, and I will explain how to illustrate how real a danger it is for Quebec and Canadian culture.

• (1545)

In the United States, right now, you can buy a dish the size of large pizza and a descrambler, and get the signal coming from a satellite on your television set. Now Direct TV is a business concern and the signal is not free; however the company has to know that you are receiving their signal to be able to bill you for it.

How does it work? You go to the United States and you buy the box and the small dish for about C$900. I should add that as soon as the market picks up, the prices will fall to about half that much. You bring all this back to Canada, to Quebec, or any other province or to the Northwest Territories and you install your small dish outside, or even inside if you have a south–facing window. Next you connect your box to the phone line and you dial the 1–800 number.

You automatically reach the U.S. company and register as a new customer willing to use their services. The company then sends a signal to one of their geostationary satellites above the Equator telling it to talk to your box. These satellites always stay above the same spot on the Equator. This is not science fiction, this is happening now. Your box has a number, and when the satellite sends it the right signal, it comes to life. From then on, it gives you access to about 200 channels.

You can now view all the regular programming of the major American television networks and you can order up movies on a pay–per–view basis, which is like going to a video store, except that you do not have to get out of the house. You push a button indicating that you want to watch such and such a movie and, automatically, the box records the films that you ordered and your viewing time. At the end of the month, the parent company in the U.S. phones your box and reads the meter, so to speak. And the box provides the information. The company in the U.S. then issues a bill and sends it to you.

However, since you are in Canada, you will not receive the bill at your home. It will be sent to an American address that you were provided with, and you will get the bill from there. No GST, no provincial sales tax. I think that the Department of Revenue should realize that services are being provided to Canada without any international agreement.

I will quote officials from the American company working on the Canadian side. Mr. Kruyt, who works for Power Direct TV, appeared before the heritage committee on November 16.

What was the question I asked? I had asked him why the company tolerated that Canadian consumers receive the signal, knowing that it was not complying with Canadian consumer law. He answered: "We have no financial incentive to prevent these people from receiving the signals, but do have a financial incentive to charge them for doing so".

I then asked him what made him think that eventually, in providing the service legally to Canadians, signals could be screened to ensure that they receive Canadian rather than American signals. And the answer I got was that the American company would give them control over what they call the on–off switch if they could start business in this country. This is of course a situation where profitability is the only rule.

• (1550)

Culture in Canada and Quebec is now at risk. What can and must be done about it? First, we need our heritage minister to be properly equipped, to have the proper legislative tools to act. Instead, we have the Minister of Industry saying: "Communications. That belongs to me".

At this rate, telephone comes under communications, television comes under communications, banking transactions, specially those made at an automatic banking machine, come under communications. What about education then? Will it also come under the jurisdiction of the Department of Industry, when it is televised?

When the medical profession will make use of telecommunication media, will it become one more thing under industry jurisdiction? Telecommunication can be such an area of responsibility, but only insofar as the equipment is concerned and at the exclusion of content, which much be the responsibility of other appropriate departments. My point it that there is nothing in the legislation before us, absolutely nothing, that gives the Minister of Canadian Heritage authority to act.

I would even go further. With this chunk of the electronic highway —and we know that this highway is coming and that it will take many forms— how can we prevent goods and services from crossing our borders electronically, when we know full well that we have legislation in place to prevent them from entering in material form?

Take hate propaganda, for example. In electronic form, we cannot do a thing about it. Terrorist instructions are already circulating on Internet, here in Canada and Quebec. This would never be allowed if it had to go through a border point. What will we do to stop this? Our heritage department must be able to negotiate GATT–type agreements with our global partners, so that all countries with approved electronic data links will agree to protect their mutual interests. Therefore, the Act to establish the Department of Canadian Heritage should enable our heritage minister to tell the countries with which we will have electronic links: "If we receive a signal that should not be received, we expect you to take those responsible to task, and we will do the same for you".

We will thus be able to protect our cultural interests, first by avoiding invasion as we will have control over what is coming in. It is not a matter of hindering the free flow of information, but of seeing that what would not be allowed through a border point cannot get through electronically either. We can also agree to export our own cultural wealth overseas and not let barriers be put in place over there.

In conclusion, the bill as it stands should not be approved by this House nor by the other place, as it does not meet the requirements Canadians and Quebecers are entitled to.

[*English*]

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

Call in the members.

(The House divided on the motion which was agreed to on the following division:)

(Division No. 156)

YEAS

Members

Allmand
Assadourian
Baker
Barnes
Bellemare
Bertrand
Bhaduria
Bodnar
Boudria
Brushett
Campbell
Chan
Crawford
DeVillers
Dingwall
Dromisky
Easter
English
Finestone
Flis
Gagliano
Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Irwin
Keyes
Knutson
Lavigne (Verdun—Saint-Paul)
Lincoln
MacAulay
Malhi
Manley
Marleau
Massé
Anderson
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Berger
Bethel
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Catterall
Cowling
Culbert
Dhaliwal
Discepola
Duhamel
Eggleton
Fewchuk
Finlay
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Jordan
Kirkby
Kraft Sloan
Lee
Loney
MacDonald
Maloney
Marchi
Martin (LaSalle—Émard)
McGuire

McKinnon
McTeague
Mifflin
Mitchell
Murray
O'Brien
Ouellet
Parrish
Payne
Peters
Pickard (Essex—Kent)
Reed
Richardson
Rompkey
Shepherd
Steckle
Stewart (Northumberland)
Telegdi
Torsney
Valeri
Verran
Wappel
Whelan
Young —123

McLellan (Edmonton Northwest)
McWhinney
Milliken
Murphy
Nunziata
O'Reilly
Pagtakhan
Patry
Peric
Peterson
Proud
Regan
Rideout
Serré
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Ur
Vanclief
Walker
Wells
Wood

NAYS

Members

Ablonczy
Bachand
Benoit
Blaikie
Bridgman
Bélisle
Chatters
Debien
Deshaies
Dumas
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanrahan
Harper (Simcoe Centre)
Hill (Macleod)
Jacob
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
McClelland (Edmonton Southwest)
Meredith
Ménard
Paré
Picard (Drummond)
Ringma
Schmidt
Silye
Stinson
Thompson
Williams—71

Asselin
Bellehumeur
Bergeron
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Caron
Cummins
de Savoye
Duceppe
Duncan
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Hanger
Harper (Calgary West)
Hart
Hoeppner
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Mayfield
McLaughlin
Mills (Red Deer)
Nunez
Penson
Pomerleau
Sauvageau
Scott (Skeena)
St-Laurent
Strahl
Tremblay (Rimouski—Témiscouata)

PAIRED MEMBERS

Bevilacqua
Bélair
Crête
Dubé
Lalonde

Bouchard
Clancy
Daviault
Dupuy
LeBlanc (Cape/Cap Breton Highlands—Canso)

The Royal Assent

● (1625)

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Motion agreed to, bill read the third time and passed.)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find that there is unanimous consent for the following motion and I believe the hon. member for Roberval will second this motion. I move:

That the House shall not sit on December 16, 1994 provided that it shall be deemed to have sat and adjourned on that day for the purposes of Standing Order 28.

The Acting Speaker (Mr. Kilger): The House has heard the terms of the motion by the parliamentary secretary. Is it agreed?

Some hon. members: Agreed.

(Motion agreed to.)

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Louis-Hebert—Human Rights; the hon. member for Chicoutimi—Gliding school; the hon. member for Yukon—Social program review; the hon. member for Laval East—Draft bill on Quebec sovereignty.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Kilger): I have the honour to inform the House that a message has been received from the Senate informing the House that the Senate has passed the following bills: Bill C-51, an act to amend the Canada Grain Act and respecting certain regulations made pursuant to that act; Bill C-56, an act to amend the Canadian Environmental Assessment Act; Bill C-57, an act to implement the agreement establishing the World Trade Organization.

THE ROYAL ASSENT

[*English*]

The Acting Speaker (Mr. Kilger): I have the honour to inform the House that a communication has been received as follows:

Government House
Ottawa

December 15, 1994

Mr. Speaker:

I have the honour to inform you that the Right Honourable Ramon John Hnatyshyn, Governor General of Canada, will proceed to the Senate chamber today, the 15th day of December, 1994 at 4.30 p.m., for the purpose of giving royal assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

• (1635)

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, His Excellency, the Governor General of Canada desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the Speaker with the House went up to the Senate chamber.

• (1650)

And being returned:

The Speaker: I have the honour to inform the House that when the House went up to the Senate chamber the Governor General was pleased to give, in Her Majesty's name, the royal assent to the following bills:

Bill C–36, an act respecting the Split Lake Cree First Nation and the settlement of matters arising from an agreement relating to the flooding of land—Chapter No. 42.

Bill C–38, an act to provide for the security of marine transportation—Chapter No. 40.

Bill C–42, an act to amend the Criminal Code and other acts (miscellaneous matters)—Chapter No. 44.

Bill C–48, an act to establish the Department of Natural Resources and to amend related acts—Chapter 41.

Bill C–51, an act to amend the Canada Grain Act and respecting certain regulations made pursuant to that act—Chapter 45.

Bill C–55, an act to establish a board having jurisdiction concerning disputes respecting surface rights in respect of land in the Yukon Territory and to amend other acts in relation thereto—Chapter 43.

Bill C–56, an act to amend the Canadian Environmental Assessment Act—Chapter 46.

Bill C–57, an act to implement the agreement establishing the World Trade Organization—Chapter 47.

Bill C–63, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1995—Chapter 48.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HUMAN RIGHTS

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, on Friday, December 9, I put a question to the Deputy Prime Minister about the Prime Minister's timid stand on human rights and the Canadian government's inability to guarantee the security of Canadian business people travelling abroad.

I made particular reference to the case of Mr. Tran Trieu Quan, a citizen from the Quebec City area who has been held prisoner in Hanoi for over eight months by the Vietnamese authorities. Charges have yet to be laid against him, which leads us to conclude that Mr. Tran is being unjustly held and that the Canadian government should demand his unconditional release without delay.

In answer to the first part of the question, the Parliamentary Secretary to the Minister of International Trade said that "the Canadian government has raised the issue on several occasions". We in the Official Opposition cannot forget that during his Asian Tour with Team Canada, the Prime Minister never talked publicly about the important issue of human rights. To justify his cowardice, the Prime Minister said that he was afraid that Canada would be made fun of.

As regards the outrageous situation experienced by this Canadian who has been held prisoner in Hanoi for more than eight months now, the parliamentary secretary is merely taking note of the question.

• (1655)

Why is the Canadian government unable to impose the only possible solution, that is to say the release of Mr. Tran, who is being held illegally in a country where Canada just opened a chancellery in Hanoi and a trade office in Ho Chi Minh City, in addition to having been involved in the settlement of the arrears owed to the International Monetary Fund? Let us be frank: the Government of Canada is directly financing a government that is holding a Canadian prisoner. Some justice, Mr. Speaker!

The second part of my question dealt with the Canadian government's inability to ensure the security of Canadian business people abroad. In this regard, this whole affair has already taken its toll on the Quebec business community. For instance, the Sainte–Foy Chamber of Commerce recommended that its members stop trading with Vietnam. Last Friday, this organization also announced that it would recommend that chambers of commerce across Canada and Quebec adopt the same policy as long as Mr. Tran is held prisoner by the Vietnamese authorities.

How then are we to understand the Deputy Prime Minister's answer, and I quote: "I have personally reviewed every comment made by the Premier of Quebec when he was the host of the governor of a Chinese province and, each time, he adopted the same policy as the Government of Canada"? First, I would remind the Deputy Prime Minister that Vietnam is a sovereign state and not a Chinese province. Second, I would remind her that if I want to question the Government of Quebec, I would not do it through the House of Commons.

Lastly, I am pleased to see that the Deputy Prime Minister admits that Quebec has the ability and the know–how to establish an international policy independent of the federal govern-

ment's. If that were not the case, I would really like to know why she would waste her time reading and studying the public statements made by the Premier of Quebec on various subjects relating to foreign affairs.

However, this partisan stand of the Deputy Prime Minister clearly shows the Canadian government's insensitivity to the fate of Mr. Tran, a Quebecer held prisoner in Vietnam.

[*English*]

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I want the hon. member to know that this government is not at all insensitive to the situation of Mr. Quan. He might be happy to know that the Prime Minister raised the matter of Mr. Quan's continuing detention during his meeting in Hanoi with the Vietnamese Prime Minister Vo Van Kiet.

The Prime Minister received a full explanation of the details of the case and was assured that the matter would be handled fairly and in accordance with Vietnamese law.

Mr. Quan has both Canadian and Vietnamese citizenships. Vietnamese authorities, however, do not recognize dual nationality and deny access to Mr. Quan by Canadian officials.

However, as a result of repeated high level interventions from the Canadian government we have gained counsellor access to Mr. Quan. Canadian officials have visited Mr. Quan and confirmed he is not being mistreated.

This is a very complex case in which a Vietnamese corporation lost a considerable sum of money. We understand that the Vietnamese are investigating the possibility of fraud.

As part of its regular counsellor assistance Canadian officials are facilitating discussions between Mr. Quan and Vietnamese authorities with regard to the possibility of Mr. Quan's release. These discussions are private and confidential and it would be inappropriate for me to comment on them here.

The Canadian government will continue to provide all appropriate counsellor assistance to Mr. Quan and will monitor the situation with vigilance. It would not be appropriate for the Canadian government to demand that the Vietnamese set aside their own legal procedures and immediately release Mr. Quan, nor would it be appropriate for the government to support a business boycott of Vietnam because one of its citizens is being held in connection with a criminal investigation.

We have the right to insist upon counsellor access and due process. We are and will continue to do both.

[*Translation*]

DRAFT BILL ON QUEBEC SOVEREIGNTY

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, On December 9, I rose in this House to ask the Prime Minister about the referendum process in Quebec. The Bloc Quebecois wanted to know, and still wants to know, if the Prime Minister stands by what he wrote in his autobiography where he said: "If we lose the referendum, we will respect Quebecers' wishes and accept separation".

The Prime Minister answered my question by saying, first of all, that he wanted a clear question, adding that he would not answer any hypothetical question. The Prime Minister should realize that he is inconsistent in his statements. By not clarifying his stand on wishes democratically expressed by Quebecers, the Prime Minister is refusing to give an opinion on the right of the Quebec people to decide their future.

• (1700)

Before being sovereignists or federalists, we must all be democrats. I dare hope that nobody wants to make Quebec an independent country or to maintain it within the Canadian federation against Quebecers' will.

Moreover, the Prime Minister would do well by following the lead of his colleagues, the hon. member for Bonaventure—Îles-de-la-Madeleine and the hon. member for Mount Royal, both of whom recently recognized that it is up to Quebecers to decide their future. The Prime Minister has shown partisan behaviour instead of political responsibility during Question Period last Friday. It is urgent that he display an attitude appropriate to his important responsibilities as a head of state.

Besides, during the same debate last week, the Prime Minister wrongly accused sovereignists of hiding their option by using a question referring to a draft bill containing 1,600 words. He said that many federalists were refusing to participate in those consultations because of this little trick. Those were terrible and very inconsiderate remarks.

Should we remind him of the consultations which surrounded the Charlottetown Agreement? Should we remind him that the Charlottetown Agreement contained not 1,600 words but well over 10,000 words? Yes, 10,000 words. The Prime Minister and his party were not at all shocked. On the contrary, they promoted the content of that agreement all across Canada.

You must admit that the qualms the Prime Minister has today are quite recent and his rationale seems one-sided. The federal government and its Quebec branch have to talk about the real options. Let them remind us that they have nothing else to offer but the status quo.

The truth of the matter is—and the Prime Minister should admit it—that federalists do not want to take part in consultations on the referendum because they have nothing to suggest but the old status quo. It may be Christmas and a time to eat traditional dishes, but that does not mean the federal government should serve us the same rehash.

In fact, the federal Liberals do not want to travel across Quebec and talk with citizens of every region. When you cannot argue for your political ideas with logical arguments, you use every kind of trick to divert the debate onto procedural details.

You cannot negotiate or manipulate the soul of a nation, nor can you put a price on it. No, the soul of a nation can only be seen if the people can democratically express their will. That is what the Government of Quebec is proposing and what the Prime Minister of Canada is rejecting. The Prime Minister must accept this inescapable fact and take part, with his colleagues, in particular the member for Bonaventure—Îles-de-la-Madeleine, in the pre-referendum consultations the Government of Quebec will be holding.

[*English*]

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, before debating the result of the vote, let us address the process. It should be democratic and it should be clear.

We are asking Mr. Parizeau to duly initiate the referendum process, to present his question to the National Assembly and to move on quickly to the Loi sur la consultation populaire.

As indicated by Mr. Johnson, we are asking the PQ to end this masquerade, this so-called consultation and to get a clear mandate from the population. In other words, hold a referendum as soon as possible and put an end to the uncertainty. Let the public decide.

The Bloc and the Government of Quebec claim that they are great believers in the democratic process. They talk solemnly about the need to respect this process, but their very first act is to attempt to pre-empt the referendum by introducing a draft declaration of sovereignty which will be voted on by the National Assembly before the people of Quebec have spoken.

There can be nothing less democratic than forcing the National Assembly to vote on a declaration of sovereignty before the people of Quebec have had an opportunity to express themselves at the ballot box.

The Bloc is asking, in the event that Quebecers vote yes to separation, to recognize the people of Quebec, to recognize the right to leave the Canadian federation. Will the Bloc agree that the decision to introduce the draft declaration of sovereignty and to have the National Assembly pass it before the people of Quebec have spoken through referendum is fundamentally undemocratic and against everything they claim to stand for?

• (1705)

Will the Bloc recognize that the people of Quebec have the right to stay in Canada when they vote no in the referendum?

Quebecers know that they live in one of the greatest countries in the world, a country that they built. This country is evolving and Quebecers have a part to play in this evolution. The burden of proof rests with the separatists.

We are confident, Mr. Speaker, that a strong case will be made for Canada.

* * *

SOCIAL PROGRAM REVIEW

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, on October 17 of this year I asked the Minister of Finance to come clean with Canadians about what the government's intentions were in terms of reducing funding for social programs in this country.

Since that time there has been much speculation. One report indicates a potential cut of $7 billion contemplated by the government in our social programs envelope. Others, for example the Standing Committee on Finance which has just released a report, project that over the next two years there will be something like a $3.4 billion cut in social programs.

This discussion that is going on certainly does not take into account the reality of what social programs have contributed to this country. Certainly as a New Democrat I am not against changes to social programs, but clearly Canadians are beginning to realize that the social security review has been merely an attempt to cut expenditures rather than to really and truly change our programs.

If the intent was to change programs, to make them better, to make them more efficient, I think we would have seen a very different process. I think the government has to be clear with Canadians what the intent is around the reduction of revenues in the social program area.

I would remind the government that in 1991 Statistics Canada was very clear that only 6 per cent of our debt could be attributed to social programs. I would suggest to the government that we need equal debate, indeed more debate, on that 94 per cent of the cost of our debt and deficit.

One of the major costs of that is how we finance our programs, not simply what we do within the purview of those programs. Since October 17 when I first posed the question to the minister I continued to raise questions about the financing of the debt. For example, only yesterday I posed the question to the Minister of Finance suggesting that he should have a public inquiry into the role of the Bank of Canada in setting interest rates, because of course the amount of our foreign debt is certainly affecting the

interest rate policy, and to look seriously at how monetary policy in this country is formed and the role of the Bank of Canada in that.

The minister did not respond to that particular request. I would suggest again that the minister instead of just simply looking at cuts to expenditures should also look at why they are necessary. Part of the reason for that is the monetary policy that was pursued by the previous Mulroney government and has been continued if not with even more zeal by the current Liberal government.

There are several things that the minister should be looking at in this area. The minister might recall that before 1967 the Bank Act legislated a ceiling on interest rates that allowed for some control. Prior to 1991 the act ensured that the Bank of Canada had some control over interest on the national debt.

I would like to ask the question why it is that the government will not be clear about the reduction in expenditures it wants to make to the social programs envelope? In addition, why will the government not look at the way and the role of the Bank of Canada, which has become I might add not the bank for Canadians but the bank for chartered banks, and how the government by looking at that could return the controls of its monetary policy to the people of Canada and not simply to the chartered banks.

I would be very interested, Mr. Speaker, in again posing those two questions.

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the Government of Canada has embarked upon a significant reform of Canada's social security system in co–operation with provincial and territorial governments and with all Canadians. The social security review is allowing Canadians to consider options for structural reform of Canada's social programs. At the same time this review must respect fiscal realities and the government's deficit reduction targets.

The 1994 federal budget established fiscal parameters for social security reform. It announced measures that would reduce spending on unemployment insurance by $2.4 billion. It also indicated that further UI savings leading to lower UI premiums would result from social security reform.

• (1710)

The 1994 budget also announced that growth in social security transfers to the provinces would be curtailed by ensuring that Canada assistance plan transfers and the post–secondary education component of established programs financing are no higher in 1996–97 than in 1993–94. Savings of at least $1.5 billion will be realized from preventing the growth that would otherwise have occurred.

The social security discussion paper confirmed these parameters and makes sure that the entitlements under EPF–PSE and under CAP will be no higher in 1996–97 than they were for each program in 1993–94.

Beyond 1996–97, EPF–PSE funding will be at best kept stable at the 1996–97 level and no increase in funding for CAP or its successors should be anticipated beyond 1996–97.

If any additional savings are required to help meet the government's fiscal targets they will be announced in the 1995 budget.

In the meantime the government is listening attentively to the views of Canadians and of the parliamentary committees that are now engaged in discussions about social programs and fiscal issues.

[*Translation*]

GLIDING SCHOOL

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, the eastern region gliding school at the Chicoutimi—Saint–Honoré airport in the Saguenay has been in operation since 1978.

Sixteen years of operation during which the school was assessed yearly by the authorities of the Royal Canadian Air Cadets and given full marks. Also sixteen years of operation at a location that is considered ideal. The Chicoutimi—Saint–Honoré airport is located in a truly outstanding site, in a rural area offering numerous advantages in terms of room to maneuver and safety.

In September, authorities in charge of the cadets asked for a feasibility study with a view to moving the gliding school from Chicoutimi–Saint–Honoré, in the Saguenay, to Saint–Jean.

Last Wednesday, socio–economic stakeholders in the region presented Major Dumontet and Lieutenant–Colonel Chartrand with an analysis of the Chicoutimi–Saint–Honoré site. Besides stating advantages of the Chicoutimi–Saint–Honoré site that were never disputed, the study emphasized major security problems at Saint–Jean. We have proof and aviation experts agree that our concerns are justified.

Nothing came out of the meeting with the people in charge of the cadets. Quite the contrary, the answers they gave us added to our concern. Therefore, because the decision appeared imminent, I asked the Minister of National Defence to impose a moratorium long enough to leave the Cadet headquarters sufficient time to address the concerns of the Chicoutimi—Saint–Honoré committee and, in particular, to make the best decision.

Since the survival of a school which has been operating in our area for 16 years and which has generated substantial economic spin–off is at stake, we repeat our request for the feasibility study to justify the move to Saint–Jean.

We also ask for a second evaluation by Transport Canada of both airport sites, mainly from a security point of view.

The evasive answer the minister gave us led us to believe that everything was done behind closed doors and that he was not even advised. My question enabled him to learn that this whole reorganization was being planned in dark back rooms, away from the scrutiny of those concerned, and, therefore, without any consultation.

The people of Saguenay—Lac Saint–Jean do not want to have to put up with the same bungling as the people of Saint–Jean, when the military college was closed. There should be greater transparency when consulting with the committee, for the preservation of eastern region gliding school. Why rob Peter to pay Paul? This is the question.

[*English*]

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the Eastern Region Gliding School was situated in St–Honoré in the early 1970s because suitable accommodations for the cadets were available and the airport was conducive to glider training operations.

However several factors have resulted in the recommendation of the eastern region cadet staff to relocate the summer cadet gliding operations from the civilian airfield in St–Honoré to the municipal airport in St–Jean. The reasons are several.

First, one has to consider the ongoing efforts to reduce costs and improve the efficiency of cadet training.

Second, there is a substantial commercial cost required to house and feed the cadets in Chicoutimi.

Third, there are operational inefficiencies involved in moving aircraft and personnel resources every summer from the home base at the St–Jean airport, where are located the hangar and the offices, to the training location in St–Honoré, which is located at a distance of approximately 350 miles.

Finally one must note the decrease in the usage of the St–Jean megaplex coupled with improvement to the St–Jean airport.

Prior to undertaking the operational and financial analysis, full support for the proposal was received from the city of St–Jean, subject to noise reduction concerns. In accordance with Canadian law an environmental impact analysis was conducted.

A comparison of operations and flight safety measures between the airfields at St–Honoré and St–Jean clearly indicated the following benefits: an annual saving of approximately $300,000 generated primarily by reduced costs of housing and feeding of staff and the air cadets at the CFB St–Jean megaplex.

Second is the availability of the main operating base hangar at the St–Jean airport to which the gliders and tow aircraft can be rapidly moved, thereby eliminating the possibility of environmental damage from the wind or hail compared to the situation at the St–Honoré base where the gliders and tow aircraft remain in the open over the entire summer training period.

Furthermore there is the non–restrictive glider takeoff and climb procedures at St–Jean compared to the restrictive ones imposed by the Chicoutimi airport authorities as a result of the noise concerns of St–Honoré residents.

In conclusion, flight safety is our number one consideration. This proposed move would not have been recommended if we had any concerns over flight safety.

The Acting Speaker (Mr. Kilger): Let me express season's greetings to Canadians from coast to coast to coast.

[*Translation*]

To all Canadians, from coast to coast, season's greetings.

[*English*]

Pursuant to Standing Order 38 the motion to adjourn the House is now deemed to have been adopted. Accordingly, pursuant to order made earlier today, the House stands adjourned until Monday, February 6, 1995 at 11 a.m. pursuant to Standing Orders 28 and 24.

(The House adjourned at 5.18 p.m.)